



General Library Item

Name Minutes 2019-04-01

Content

Lane Community College
Board of Education
Special Meeting Minutes
April 1, 2019

1. Attendance

Board members present: Phil Carrasco, Mike Eyster, Susie Johnston, Melanie Muenzer, and Rosie Pryor. Lisa Fragala participated by telephone. Also present were: President Margaret Hamilton; Vice President Brian Kelly; Vice President Paul Jarrell; Legal Counsel Randy Geller, Lane Community College Education Association President Adrienne Mitchell; Lane Community College Education Federation President Robin Geyer; and Associated Student of Lane Community College Student Government President Nick Keough.

A. Chair Mike Eyster called the meeting to order at 4:08 p.m.

Matt Keating arrived at 4:12 p.m.

B. Statements from the Audience

Robin Geyer, LCCEF President, advocated to keep the Titan Store operations in house.

Adrienne Mitchell, LCCEA President, stated that program reductions have a negative impact on students and on the college budget.

Diego Wilson, ASLCCSG Senator, urged the board to support a tuition freeze.

Amadeo Rehbein, ASLCCSG Senator, urged the board to support a tuition freeze.

Nick Keough, ASLCCSG President, urged the board to support a tuition freeze.

Kathy Fabor, Health Clinic Nurse Practitioner, advocated for maintaining the Health Clinic.

Robin Fleming, Payroll Analyst, advocated for the Health Clinic.

Bryant Everett, ASLCCSG Chief of Staff, urged the board to support a tuition freeze.

C. Budget Update

Brian Kelly revisited the discussion regarding the TitanStore. Staff have worked to create a sustainable operating model; however, losses due to student enrollment, Open Education Resources (OERs), and declining sales in merchandise have contributed to a \$1.47 million loss in the last five years. This is not a lack of strategic planning, but is due to a fundamental, unviable, operational model. We have reassigned staff, held vacant positions open, and are now at seven staff FTE lower than prior to the enrollment surge in 2007. One of the primary fiscal strategies was to limit personnel to 29% of sales, and that number is now at 30%--just 1% short of the goal—and yet the store is still projected to lose \$250,000 this year. The staff proposal presented to the board to maintain services was not fully vetted by budget office. The proposal claims a cost of \$60,000 for Other Payroll Expenses (OPE), but this number is actually \$210,000. This does not provide for inflationary costs. Under the staff proposal, the store will continue to lose revenue and will require significant general fund support.

Barnes and Noble can provide greater service options for our students and return revenue back to general fund. Administration continues to recommend Barnes and Noble, and this recommendation is in alignment with the budget principles and criteria. Academic freedom and student services will be maintained, and involuntary reduction of personnel can be avoided.

The college has hosted informational forums about Barnes and Noble, the contract would include language on

academic freedom, faculty will have the ability to adopt OERs, and this will not change the college's position on hiring a full-time librarian for OERs.

Board discussion included possible revenue gain and following Oregon Revised Statutes on procuring outside services. The item will be added to the April 11, 2019, regular board meeting agenda. Legal Counsel will research parliamentary procedure on bringing back an item that has previously been moved and adopted by the board. The board directed the college to look into the fiscal health of Barnes and Noble and the long-term effect that will have on the college if we are to enter into an agreement.

Kelly reviewed the budget development calendar. The financial planning and principles and criteria during times of reduction included considering the impact to students, avoiding employee layoffs, program performance relative to goals, college standards, and benchmarks, centrality to college mission, program and service demand, local and regional workforce needs and post-graduation outcomes, and transfer articulation to four-year universities. The Budget Development Subcommittee and the administration leveraged these criteria, and budget-balancing recommendations were updated on March 26, 2019. The planning projection is an \$8.47 million deficit.

Budget balancing proposals include fundraising, reductions in materials and services, major maintenance funding, capital outlay, personnel, programs and services, a capital funds transfer, and an increase in employee turnover factor (swirl). That still leaves a gap of \$1.6 million. Additional options include a tuition increase, partnering with an outside company for bookstore services, a review of the Health Clinic operation over the next year, and a review and analysis of improving academic and student affairs programs outside of the annual budget process. This leaves an estimated surplus of \$46,000.

D. Tuition Rate

Jarrell presented the administration and Budget Development Subcommittee recommendation on the FY2019-20 tuition rate. The recommendation is an increase of \$4.50, resulting in a cost of \$118 per credit hour for resident students and \$274.50 per credit hour for non-resident students. This represents an approximate 4% increase, which is approximately \$1.00 over the amount indicated by the Higher Education Price Index. Other Oregon community colleges are considering a \$5 to \$10 tuition increase.

Jarrell distributed a handout showing that tuition makes up 11% of expense and revenue contributions. Also shown was the percentage that tuition makes up in a student's budget compared to room and board, transportation, books and supplies, and fees. While cost of education is a challenge and needs to be addressed, this is a statewide problem and requires the commitment of everyone to change it.

Lane's main goal is to prevent program elimination, involuntary layoffs, and support access, equity, and student success. Alternatives to the administration and Budget Development Subcommittee recommendations might include elimination and reduction of CTE programs vital to workforce development and social mobility within our community, as well as reductions in investments in personnel vital to student success, such as full time faculty, student advisors, and success coaches. These alternatives create a severe impact to access and success for our students and directly affect our ability to achieve our mission.

Keating moved to approve the recommended tuition adjustment of 3.4% or \$4.50 per credit hour for in-state residents and non-resident students while maintaining non-credit students at \$4.50 per credit hour. Johnston seconded.

Hamilton recalled the challenges she witnessed as she first came to Lane and the programs that were eliminated and reduced. While she agreed with the concept of a tuition freeze, she also agreed in putting students first with teaching, learning, and student success at the heart of our decisions. For that reason, she recommended the tuition increase and pledged to look for ways to mitigate the financial barriers students are facing.

Board discussion included the impact of eliminated programs such as CTE and developmental education. Without developmental education, some students would not be prepared for college, and while some CTE programs are offered at the university, those programs would come at a much higher cost. Other concerns included student engagement in the cost of education. Jarrell explained that he had reached out to the ASLCCSG President regarding hosting a joint forum on the cost of education and on the cost of not getting an education. The college has recently hired a new director of student engagement to take on some of this work. The board wanted to ensure that the impact was balanced between students, staff, faculty, and management. A future work session regarding financial aid was requested.

A question arose regarding the 15 to Finish program recently approved by the board granting a three-credit tuition waiver to students who enroll in at least fifteen credits per term. Jarrell explained that the college is still looking at how to implement the 15 to Finish program. There is a financial aid challenge, and we do not want to penalize the students. This may ultimately be a banding model, dependent on the budget impact.

Pryor expressed appreciation for the preparation and consideration to moderate proposals to reflect board discussion but stated that she would not support a tuition increase due to the fact that tuition has been consistently increased each year, yet the college still struggles with achieving a balanced budget and faces a fundamental structural financial problem.

Board Members / Vote

Melanie Muenzer - Yes

Phil Carrasco - Yes

Susie Johnston - Yes

Lisa Fragala - Yes

Matt Keating - Yes

Rosie Pryor - No

Mike Eyster - Yes

Motion passed 6 – 1. Pryor dissented.

E. Future Agenda Items

Items for the regular April board meeting included a resolution on HB2015, the Board of Education work plan, Titan Court and student housing, and reviewing the Health Clinic operations.

Meeting adjourned at 5:54 p.m.

Margaret Hamilton, President/District Clerk

Mike Eyster, Board Chair

Prepared by: Donna Zmolek, Executive Assistant to the President