

FY 20 Budget Development Calendar

Fall Term:

November

- Standard data elements updated and published
- Budget Development Subcommittee (BDS) convened
- BDS feedback on prior year process
- Budget outlook/initial projections

December

- Review budget development principles, criteria and data elements
- Review budget execution from prior year process
- Board discussion of budget development calendar
- Board tuition discussion

Winter Term:

January

- Develop budget assumptions and scenarios
- Discussion of budget scenarios
- Analysis of balancing options
- Budget Update

February

- Budget update
- Campus forum
- Resource allocation for department planning and program review

March

- Planning projection
- Board tuition discussion
- College Council budget recommendation

Spring Term:

April

- Special Board meeting
- Administrative budget recommendation
- Board tuition decision
- Program/service reduction decisions
- Campus forum

May

- Budget Committee meetings commence

Mission:

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

Financial Planning Principles, Criteria and Data Elements

General Principles

1. Budget development at Lane Community College is guided by ***institutional plans, program review, annual department plans***, and other planning efforts. All plans support the college's Core Themes and Strategic Plan to further mission fulfillment.
2. Faculty, staff, and managers regularly review, analyze and engage with both standard data elements and department-specific performance measures through annual department planning and five-year program review processes. This process results in a cycle of continuous improvement planning and assessment.
3. Implementation plans from both the department/program and institutional level include measurable outcomes, timelines, assessment plans, and resource needs/implications.

Investment and Reduction Criteria

In times of investment (surplus resources), resources are prioritized as follows:

- Approved program review implementation plans
- Addressing current institutional priorities and Strategic Directions
- Support of essential services and physical infrastructure
- Support of critical/demonstrated local or regional workforce need
- Support of innovation in the learning, co-curricular and operational environment
- Demonstrated, measurable, sustained return on investment; college-wide impact

In times of reduction (budget deficit), reductions are considered using the following criteria:

- Impact to students
- Avoidance of involuntary layoffs of permanent employees
- Program performance relative to established goals, college standards, and benchmarks
- Centrality to college mission
- Program or service demand
- Local and regional workforce needs and post-graduation outcomes
- Transfer articulation to four-year universities

Administration Budget Balancing Recommendations and Options

Updated March 26, 2019 based upon feedback from the Board of Education, further analysis, and continued collaboration with College Council and its Budget Development Subcommittee

Planning Projection		\$ (8,467,700)	
Revenue	Estimate	Balancing Contribution	
Fundraising	\$ 250,000	\$ 250,000	Leverage foundation funds and fundraising efforts to support bond campaign and other strategic priorities
Expense Reductions		Balancing Contribution	
Materials and Services	\$ 1,200,000	\$ 1,200,000	Reduce all discretionary overnight travel in FY2020; eliminate telephone chargebacks; reduce printing and graphics charges; share supplies and resources across departments; review and reduce contracts and outside service expenses
Major Maintenance funding	\$ 1,400,000	\$ 1,400,000	Reduce from \$2.5M to \$1.1M (10% increase over historic funding levels)
Capital Funds transfer	\$ 300,000	\$ 300,000	Use \$300K of Fund IV Capital Projects Reserve for one-time capital/deferred maintenance projects. Requires Board action/approval.
Capital Outlay	\$ 550,000	\$ 550,000	Withhold \$550K of \$700K capital outlay allocation. Use Perkins and grant funds to support essential capital needs.
Swirl	\$ 94,000	\$ 94,000	Increase swirl (employee turnover) factor from 2% to 2.25% consistent with historical averages
Personnel, program, and service reductions, including contracted and part-time	\$ 3,020,000	\$ 3,020,000	College Council Recommendation: \$3.7M Planned Reductions: ~10% part-time net reduction from FY19 estimated actuals (all employee groups). Review scheduling assignments; reduce overload, overtime, reassignment; review and maximize workload. Hold vacant positions open; staggered hiring; food services closure.
Budget Gap		\$ (1,653,700)	
Additional Options	Factor	Balancing Contribution	
Tuition (per credit increase)	\$ 4.50	\$ 954,000	Administration and College Council Recommendation: \$4.50 increase per credit hour (HEPI plus \$1). Results in \$162 (3.4%) annual increase in cost of attendance for students taking 12 credits per term.
Barnes and Noble contract	\$ 746,000	\$ 746,000	Administration Recommendation: Partner with Barnes and Noble for bookstore services
Health Clinic closure	\$ 150,000		Closure will reduce student fees by \$135/year; staff fees by \$48/year Administration Recommendation: Review and restructure health clinic service model outside the budget process; requires analysis of impact to students, staff reassignments, and collective bargaining.
Program Closures and Involuntary separations	\$ 100,000		Administration Recommendation: No closure of academic programs and services as they will have a direct negative impact on mission, access, and strategic priorities. Review, analysis and improvement of academic and student affairs programs and services is an ongoing process and should occur outside of the annual budget process.
Budget Gap		\$ 46,300	
		Annual \$	% Change
Change in Cost of Attendance*	\$	162	3.4%

* Resident credit students taking 12 credits/term