

Hello,

Last Wednesday evening we updated the Board of Education on our progress and challenges as we work on balancing the FY14 and FY15 budget.

I would like to invite you to our second all campus budget meeting on Monday, April 21st from 1-3 pm in the Center for Meeting and Learning rooms 103/104. The meeting will follow a similar format to our first meeting in January. The first part will be a review of the year's process and an update of current projections and reduction strategy. The second part will give us some time to connect in small groups and to pose some questions.

As always please feel free to direct questions to the budget blog @ <https://blogs.lanecc.edu/budget/>

Over 20 requests for information have come from our work with the Budget and Finance sub-committee. We have posted the responses to these requests @ <http://www.lanecc.edu/budget/current-information-and-communications>

During the last recession, Lane responded to an enrollment surge of 39 percent with a full-time equivalent (FTE) enrollment peak of 15,438 in 2011/12. As the economy improved, students completed their programs and found jobs. Now enrollment is leveling off to pre-recession levels of about 11,000 FTE, causing a tuition revenue loss of more than 20 percent. In January we projected an \$8.6M deficit, with no additional enrollment decline. Based upon statistical analysis provided by IRAP and ASA, the Finance & Budget Subcommittee of College Council decided on two more likely enrollment scenarios for FY15: an additional 7% reduction and an additional 12% reduction over current levels.

The college is projecting two budget scenarios for FY15: a deficit of \$10.9 million assuming an additional 7 percent enrollment decline, or \$12.6 million assuming an enrollment decline of 12 percent.

At the same time enrollment is reverting back to pre-recession levels, the disinvestment of state funding has continued. This year, Lane will receive less state funding than in 2009—six years ago.

We are looking closely at our vacancy list and limiting overtime and overload expenditures.

We are aligning the size of our workforce to the current level of enrollment. I want to again remind you that reviewing and realigning our offering of classes and programs are a constant process at Lane. We are consistently engaging with over 50 advisory committees to assess the effectiveness of our programs in relationship to job availability, wages and job placement. We consider program enrollment, cost per FTE and student persistence at the institutional level on an annual basis.

Administration will present reduction proposals to the Board of Education at a special meeting on April 28. Employees whose jobs may be impacted will be notified by May 1 in accordance with employee agreements. The Budget Committee begins meeting May 14. Law requires the board to adopt a balanced budget by the end of June.

Our fundamental challenge is how to provide education and training to meet community needs, within diminishing resources. These are difficult conversations. I appreciate the work you do everyday and the

value you add to the lives of our students. We do so many things well and we will continue to be a resource to our community.

Thank you

Brian

Brian Kelly  
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