

Budget Balancing Strategies for FY14 and FY15

Introduction

The general fund budget for fiscal year 2013-2014 was adopted in June 2013, with several key factors still unknown: state support, enrollment, and employee compensation. As these factors come into clearer focus, it is evident that the college will be facing a significant budget shortfall both in the current year and the second year of the biennium.

Budget balancing work will involve a combination of short-term measures and longer-term strategies as presented below and will be guided by the following principles developed through the Finance Council and Budget and Finance Subcommittee of College Council.

Budget planning at Lane will:

- be guided by the college strategic plan, unit plans and program review, council plans, and other planning efforts;
- focus on our mission of teaching and learning;
- meet legal, contractual, and accreditation obligations;
- meet Board policies and involve as much input from the college community as possible;
- maximize revenue generation balanced with accessibility and affordability;
- invest in new activities that maximize future revenue;
- support student enrollment, retention, success and learning, while minimizing negative impact of budget constraints on quality of instruction, student services and college infrastructure;
- maximize investment in technology or streamlined work processes that will save resources;
- maintain ability to respond to community needs;
- avoid involuntary layoffs of permanent employees;
- maintain existing facilities and equipment and upgrade as needed;
- benchmark to best practices while recognizing intentional variations between the college and national and state norms;
- use data and objective criteria in planning and resource allocation.

Strategies for FY14 and Beyond

1. Strategic Enrollment Management

Kerry Levett will bring a team together to develop a strategic enrollment management program for Lane that includes analytical tools for modeling and projecting enrollment trends based on trend data, regional demographics, student success and retention measures, economic and environmental factors, and other influencers. The program will establish enrollment goals by student segment; guide marketing, communication and recruitment efforts; link to resource planning and scheduling; identify and address key entrance and exit points; and inform budget and financial plans and projections.

2. Growth and Retention

We will work to mitigate environmentally-driven enrollment declines through targeted recruitment efforts and continued implementation of student success and retention practices.

3. **Enterprise & Auxiliary Strategic Plan**
Brian Kelly will lead the effort to generate a long-term vision for enterprise and auxiliary activities at the college to include their relationship and contribution to the general fund. Work will include clearly defining connection to college mission, reviewing business and operating models, exploring opportunities for increased revenue streams and cost efficiencies, developing key performance indicators and robust reporting tools, and determining appropriate general fund contribution levels.
4. **Grants, Partnerships & Leveraged Funding**
We will continue to cast a wide net in exploring funding and partnerships for the college while further refining our selection process for opportunities to pursue, with a first filter of mission fulfillment and clear return on investment. In evaluating grant and leveraged funding opportunities, the team will develop criteria to assess a) strategic alignment, including ability to impact student success indicators; b) innovation capacity; c) financial resources and requirements; d) administrative and overhead requirements; and e) ability to operationalize and bring to scale. Additionally, we will be ensuring unit planning and program review processes prepare departments to readily pursue leveraged funding opportunities that meet strategic criteria.
5. **Evidence-Informed Decision Making**
The college will continue to develop a culture of evidence-informed decision making to include improving unit planning and program review processes, and expanding financial and benchmark reporting capacities at both the institutional and program/activity level. A strategic focus for this work is to develop mission fulfillment metrics and evidence that a) tell the Lane story; b) deepen our understanding of successes, issues and opportunities, c) connect to state and national benchmarks and norms, including accreditation and proposed performance funding metrics, and d) connect to program/activity-specific metrics and evidence.
6. **Capital Improvement Plan**
College Services and Facilities Management & Planning will develop a comprehensive capital improvement plan that draws together myriad deferred maintenance, infrastructure, bond, climate action plan and campus master planning efforts to strategically prioritize capital investment over a six-year horizon. The plan will cover preservation and revitalization of existing assets and infrastructure, acquisitions, and new construction, with prioritization developed for annual project plans. Cost estimates will include initial capital investment, marginal operating costs and ongoing maintenance cost, allowing for better informed decision making and more accurate financial forecasting.
7. **Strategic Development of Online Courses, Programs and Services**
The college will continue to prioritize investment in online learning by building capacity in faculty, staff and systems to create high-quality, sustainable and innovative online learning and educational resources to support and empower 21st century learners.

2013-2014 Measures:

1. Defer non-essential capital and M&S expenditures
2. Reduce part-time expenditures
3. Hold vacant positions open as possible