

FY 23-24 PROPOSED BUDGET



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Cover Artist: The featured mural was painted in 2022 by Pattrick Price, a Tlingit teaching artist. It depicts a raven and a fox playing, and can be seen on Building 11 of Lane’s main campus.

Thank you to Stephanie Walen, a 2023 graduate of LCC’s Graphic Design program, for designing the layout of this document. The 2022 Budget document won a bronze award at the NCMPR Medallion Awards.

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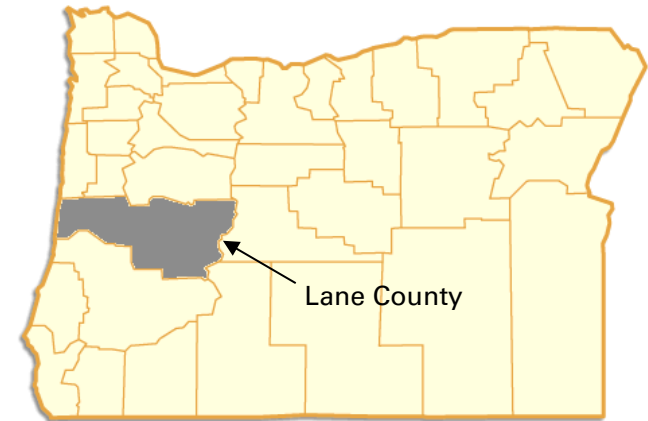
INTRODUCTION

Lane County, Oregon

Lane County was established in 1851. Covering 4,722 square miles from the Pacific Ocean to the Cascade Mountains, the county has three unique climate zones: the Willamette Valley, the Coast, and the Cascade Mountains. Although 90% of Lane County is forest land, Eugene and Springfield comprise the second largest urban area in the state (second to Portland). Lane County is renowned for its beautiful topography, climate, and outdoor recreational opportunities.

Lane County Fast Facts:

- County Seat: Eugene, Oregon
- Average Temperatures: January: 46°, July: 78°
- Annual Precipitation: 45"
- Population: 382,971²
- Median Age: 40.5 years²
- Assessed Value⁷: \$37,422,281,897
- Real Market Value⁷: \$60,502,686,095
- Principle Industries³: Lumber and wood manufacturing, agriculture, tourism, retail trade, education, and government.
- Top 10 Employers³: PeaceHealth Corp, University of Oregon, Eugene 4J School District, US Government, Oregon State Government, City of Eugene, Lane Community College, Lane County Government, Springfield School District, McKenzie-Willamette Medical Center.
- Top 10 Taxpayers³: IP Eat Three LLC, Lumen Technologies INC, Verizon Communications Inc, Northwest Natural Gas Company, Valley River Center, Comcast Corporation, Shepard Investment Group LLC, McKenzie Willamette Regional Medical Ctr., Weyerhaeuser Company, Emerald PUD.³

**Table 1: Economic and Educational Indicators (February, 2023)**

Economic Indicator	Lane County	Oregon	Educational Indicator (pop. 25 and over)	Lane County 265,070	Oregon 2,246,989
Labor Force ¹	186,197	2,186,858	Non-HS graduate ⁸	9%	10%
Median Home Value ⁴	\$293,300	\$354,600	High school degree or higher ⁸	22.7%	23%
Median Monthly Rent ²	\$1,131	\$1,282	Some college ⁸	27.9%	26%
Owner-occupied housing ²	60.9%	63.8%	Associate's degree ⁸	9.9%	9%
Unemployment Rate ⁶	4.5%	4.0%	Bachelor's or higher ⁸	32.4%	36.3%

Sources: (1) www.qualityinfo.org; (2) www.census.gov; (3) www.lanecounty.org; (4) www.city-data.com; (5) www.usclimatedata.com; (6) <http://www.bls.gov>;

(7) [LCC Annual Comprehensive Financial Report](#), 2021 (8) Lane Community College Program Demand Gap Analysis: Economic Overview and Review of Academic Programs, December 2020, EMSI

Institutional Overview

Lane Community College, founded in 1964, is a comprehensive community college dedicated to transforming lives through learning. The College fulfills its promise to the community by providing access to higher education, supporting student success, and ensuring its mission, core values, programs, and services reflect community values and needs.

Lane's service district represents approximately 380,000 residents, slightly more than 11% of Oregon's population. The district encompasses 5,000 square miles, which includes most of Lane County from the Pacific Ocean to the Cascade Mountains, as well as individual school districts in Benton, Linn, and Douglas Counties. Lane's 314-acre campus is located in southeast Eugene and the College offers classes and services at a number of other locations, including the Mary Spilde Center in downtown Eugene, and centers in Cottage Grove, Florence, the Eugene Airport, and outreach sites within the district. Lane employs more than 919 employees who serve over 14,600 students annually. Approximately 57% are credit students, 22% are College Now credit students, and 21% are non-credit students. During fall term 2021, 39% of credit students were enrolled full time however, 10% attempted 36 or more credits (full time) for the year. The College had a total of 5,686 full-time-equivalent (FTE) students in 2021-2022 academic year. Credit student enrollment, including College Now, accounts for approximately 92% of total FTE. Credit student enrollment, excluding College Now, accounts for approximately 80% of total FTE.

Students come to Lane with a variety of goals, including transfer to a four-year college or university, career technical education, foundational skills development, and life-long learning. All students at Lane benefit from a broad range of options for their education and support, as the College provides comprehensive programming to meet the needs of both students and community.

Transfer. Students who come to Lane with the goal of transfer to a four-year institution in the arts and sciences are guided by Transfer Guides. These guides help students in their pursuit of a transfer degree through Lane's School of Arts and Sciences. Lane has a strong association with its neighbors - the University of Oregon, Oregon State University, and the Oregon Health Sciences University. In November 2018, new articulation agreements were created with Bushnell University (formerly known as Northwest Christian University) and the Oregon State University College of Business, which will allow transfer students to earn a bachelor's or master's degree in less time and at a lower cost. Four global pathways to complete a bachelor's degree are also offered to Lane students: an International Business Management 2 + 1 in France, a Graphic Design 2 + 1 in New Zealand, a Global Tourism and Business in Australia, and a Global U.K. Transfer in England and Wales. In addition, Lane students who choose to pursue a career technical degree through the College's School of Professional and Technical Careers benefit from an ever-increasing number of opportunities to extend their associate's degree by continuing to a four-year college or university.

Career and Technical Education. Lane has continued the tradition of career and technical education begun in 1938 by its precursor, the Eugene Vocational School. Since that time, the College has greatly expanded services and programs to meet the community's changing needs. Today, Lane offers applied degrees and certificates in a wide range of technical program areas, from health professions to advanced technology and trades.

Foundational Skills. Lane students access many developmental courses to improve their foundational skills in reading, writing, and math in preparation for pursuing a college-level educational goal. Lane's offerings include Academic Learning Skills, Adult Basic and Secondary Education, and English as a Second Language.

Extended Learning. The College offers a wide array of courses through its Continuing Education and Small Business Development Programs. Classes are designed to support lifelong learning in areas such as creative arts, health and wellness, small business development, and training for the incumbent and emerging workforce.

Accreditation. Lane is accredited by the Northwest Commission on Colleges and Universities. The Commission is an institutional accrediting body recognized by the Council for Higher Education Accreditation and the U.S. Department of Education. Related regional accreditation documents are on reserve in the College library. Individual Lane programs are evaluated for quality by numerous vocational and professional accrediting associations.

During the 2021-2022 academic year, the College completed a comprehensive evaluation of institutional effectiveness and virtually hosted an accreditation visit from representatives of the Northwest Commission on College and Universities. The College's accreditation was reaffirmed with the commission commending the College for its exceptional student support services; robust infrastructure for assessment and planning; engagement in and commitment to Program Review; commitment to increase efficiency and outreach of recruitment processes; commitment to improve tracking of student retention and completion; community partnership efforts; and, demonstrating resiliency and innovation in maintaining services during a period of extraordinary challenges. The College was advised to continue its work to enhance institutional effectiveness by assuring that processes are inclusive of all constituents, and to fully implement a system to assess student learning outcomes.

Finances. The State Higher Education Executive Officers (SHEEO) Association reported for fiscal year 2021 that Oregon ranks 36th in the nation in terms of educational funding per FTE. In addition, the report states that the 2021 national average education appropriations per FTE were \$9,327, which was approximately \$1,900 per FTE greater than Oregon's appropriation.¹ Oregon community colleges receive funding through three primary sources: state allocation of funds through a biennial state budget, student tuition and fees, and a county-based property tax. During the previous economic recession, the state significantly reduced funding for community colleges. To compensate for the loss in revenue, tuition and fees were increased and now comprise more than 27%² of Lane's general fund revenues. As a result, the College budget is highly sensitive to enrollment fluctuations. This trend was exacerbated by the impact of COVID-19 on the College, evidenced by substantial declines in enrollment and a significant decline in tuition and fee revenues. The College received federal Higher Education Emergency Relief Fund (HEERF) awards to defray institutional costs related to coronavirus, and to provide emergency financial aid grants for students. The HEERF awards are appropriations outlined in the Coronavirus Aid, Relief, and Economic Stability (CARES) Act, the Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA), and the American Rescue Plan Act (ARPA).

The College provides benefits to the community, both in terms of economic growth and investment. In 2018-2019, the college's net economic impact to the community was \$721.3 million or 10,777 jobs supported. This impact is comprised of \$109.1 million operations spending, \$29.1 million student spending, and \$583.1 million alumni impact (EMSI, 2020).³ Furthermore, the college's relationship with the community enables Lane to strategically provide programs and services to students as they develop, progress toward, and achieve their goals.

¹ State Higher Education Finance Report (2021), State Higher Education Executive Officers Association

² Lane Community College Annual Comprehensive Financial Report, 2021

³ The Economic Value of Lane Community College, August 2020, EMSI

Enrollment and Degree Statistics

2023-2024 Proposed Budget

Enrollment Statistics	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Unduplicated Headcount	37,254	33,695	30,449	28,219	26,176	25,793	24,259	20,957	15,573	14,957
Full-time Equivalent Student	14,015	12,312	10,464	9,250	8,716	8,295	8,077	7,354	6,246	5,477
Lower Division Transfer Awards										
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
AAOT/ASOT	573	454	482	468	441	536	470	552	512	433
Associate of General Studies	150	158	136	429	539	667	567	593	680	570
Associate of Science	61	87	65	81	118	165	144	150	155	142
Oregon Transfer Module	-	376	422	376	412	491	1	-	-	-
Total Transfer Awards	784	1,075	1,105	1,354	1,510	1,859	1,182	1,295	1,347	1,145
Technical Awards										
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Associate of Applied Science	548	637	487	493	398	357	331	352	375	327
Certificate	526	543	417	545	416	448	509	408	403	485
Apprentice: Assoc. of Applied Science	-	-	1	-	2	-	2	24	6	3
Total Technical Awards	1,074	1,180	905	1,038	756	805	842	784	784	815
Total Awards	<u>1,858</u>	<u>2,255</u>	<u>2,010</u>	<u>2,392</u>	<u>2,266</u>	<u>2,664</u>	<u>2,024</u>	<u>2,079</u>	<u>2,131</u>	<u>1,960</u>

We are the community's college...Transforming lives through learning

Chart 1: Lower Division Transfer Awards

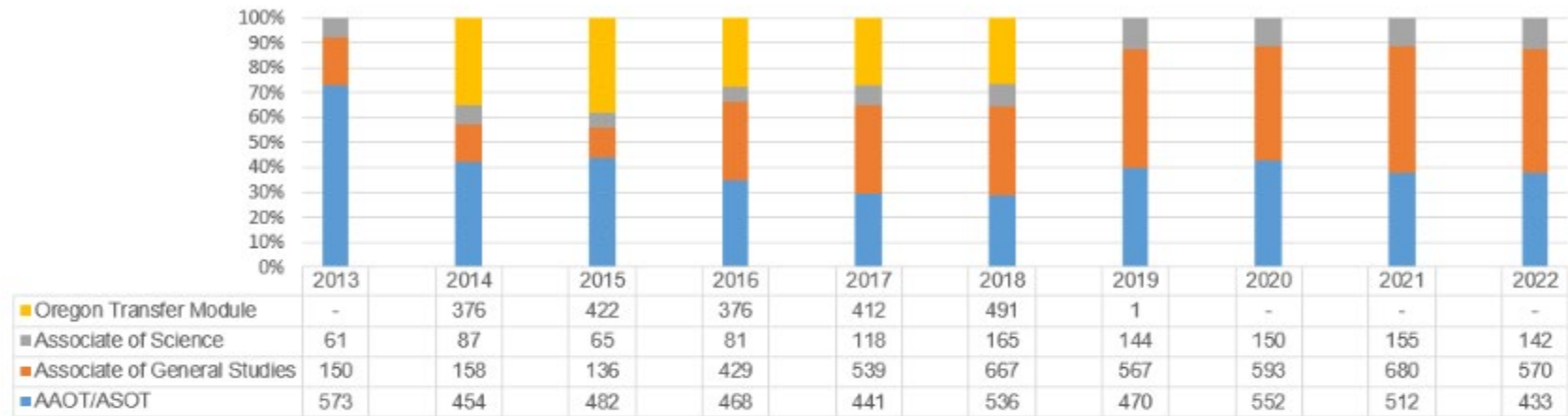
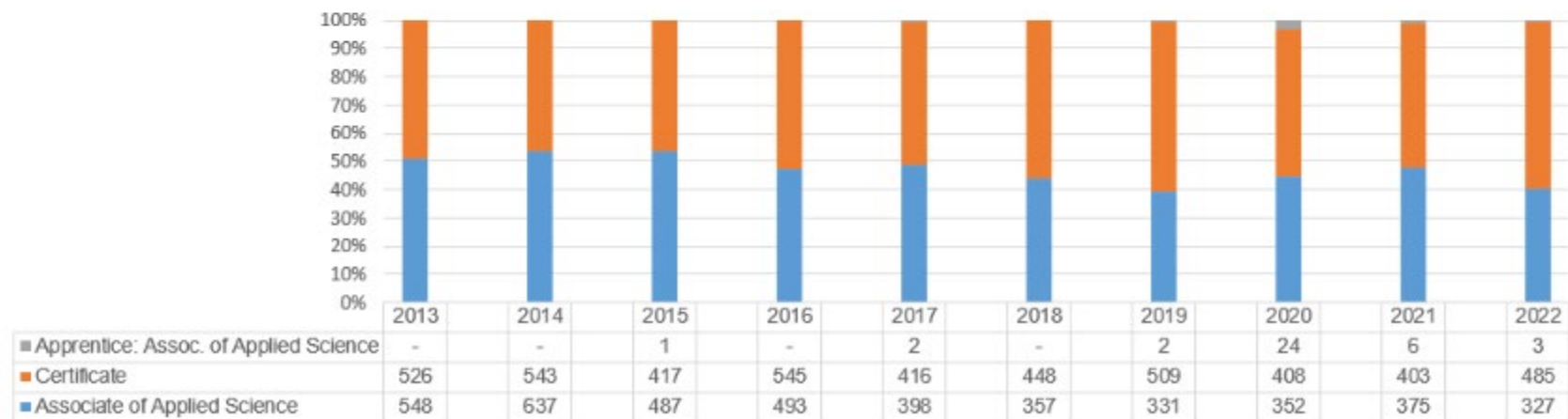


Chart 2: Technical Awards



Seven publicly elected, unpaid Board members have primary authority to establish policies governing the operation of the College and to adopt its annual budget. Their charge is to encourage the development of programs and services that will best serve the needs of College District constituents.

Holli Johnson, African American/Black Student Success Program Coordinator, Eugene
Elected May, 2021, term expires June 30, 2025
Zone 1-Western

Angela VanKrause, Healthcare/Financial Analyst, Eugene
Elected July 1, 2019, term expires June 30, 2023
Zone 2-Northern

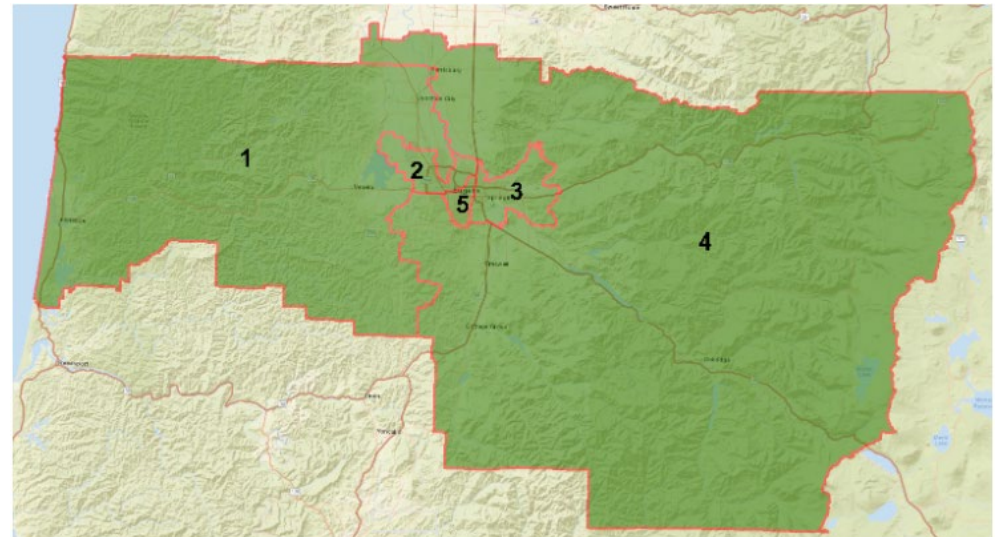
Mike Eyster, Retired Higher Ed. Administrator, Springfield
Elected May, 2021, term expires June 30, 2025
Zone 3-Marcola and Springfield

Austin Fohnagy, Business Specialist, Vida
Elected May, 2021, term expires June 30, 2025
Zone 4-Eastern

Steve Mital, Director of UO Sustainability Program, Eugene
Elected May, 2021, term expires June 30, 2023
Zone 5 - Central Eugene

Rosie Pryor, Retired Marketing and Strategy Officer, Eugene
Elected July 1, 2019, term expires June 30, 2023
At-Large, Position 6

Lisa Fragala, Licensed Professional Teacher, Eugene
Elected July 1, 2019, term expires June 30, 2023
At-Large, Position 7



ORGANIZATION CHART

Stephanie Bulger
President

Wendy Jett
LCC Foundation
Executive Director

Priyanka Srinivasa
Chief of Staff

Greg Evans
AVP of Equity & Inclusion

Michael Blade
General Counsel

Patrick Blaine
Interim AVP of Academic
Affairs and Institutional
Effectiveness

Shelley Tinkham
VP of Academic & Interim
AVP for IT

VACANT
VP of Finance & Operations

Shane Turner
AVP, Human Resources &
Labor Relations

VACANT
VP of IT

Dawn Whiting
Interim Sr. AVP of Student
Affairs, Associate Dean of
Enrollment Services and
Registrar

Brett Rowlett
Exec. Director of
External Affairs

Grant Matthews
AVP of Career Tech &
Workforce Development

VACANT
Director of Budget &
Resource Planning

Sharon Daniel
Talent Acquisition, Employee
Engagement & Compensation /
Benefits Manager

Jennifer Dumble
Director of Software
Services

Carl Yeh
Dean of Student Engagement

Rebecca Long
Director of Marketing &
Strategic Communications

Jennifer Frei
AVP of Arts & Sciences
& Career Pathways

Marlene Rocha
AVP of Finance & Accounting

Aneita Grogan
Payroll Manager

Fred Rankin
Director of Cyber Security,
Infrastructure, &
End User Services

Greg Sheley
Director of Athletics

Jennifer Hayward
Interim AVP of
Facilities, Planning &
Public Safety

Dawn Barth
Manager of Risk &
Environmental Health &
Safety Programs

Mandie Prichard
Assoc. Dean of C.A.R. &
Testing Services

Jim Rondeau
KLCC General Manager

Daniel Brown
Title IX Coordinator

Jane Reeder
Dean of Student Success

Lisa Rupp
Director of Public Safety &
Emergency Preparedness

LCC VISION, MISSION & VALUES

Vision

Transforming lives through learning.

Mission

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

Values

LEARNING

- Working together to create a learning-centered environment
- Recognizing and respecting the unique needs and potential of each learner
- Fostering a culture of achievement in a caring community

DIVERSITY

- Welcoming, valuing and promoting diversity among staff, students and our community
- Cultivating a respectful, inclusive, and accessible working and learning environment
- Working effectively in different cultural contexts to serve the educational and linguistic needs of a diverse community
- Developing capacity to understand issues of difference, power, and privilege

INNOVATION

- Supporting creativity, experimentation, and institutional transformation
- Responding to environmental, technological, and demographic changes
- Anticipating and responding to internal and external challenges in a timely manner
- Acting courageously, deliberately, and systematically in relation to change

COLLABORATION AND PARTNERSHIP

- Promoting meaningful participation in governance
- Encouraging and expanding partnerships with organizations and groups in our community

INTEGRITY

- Fostering an environment of respect, fairness, honesty, and openness
- Promoting responsible stewardship of resources and public trust

ACCESSIBILITY

- Strategically growing learning opportunities
- Minimizing financial, geographical, environmental, social, linguistic, and cultural barriers to learning

SUSTAINABILITY

- Integrating practices that support and improve the health of systems that sustain life
- Providing an interdisciplinary learning environment that builds understanding of sustainable ecological, social, and economic systems, concern for environmental justice, and the competence to act on such knowledge
- Equipping and encouraging all students and staff to participate actively in building a socially diverse, just, and sustainable society, while cultivating connections to local, regional, and global communities



OVERVIEW

Lane Community College
2023 -2024 Budget Committee

Ian Winbrock
Siobhan Canc l
Holle Bauer Schaper
Kevin Matthews
Susan Fahey
Hillary Kittleson
Celine Swenson Harris

Holli Johnson
Angela VanKrause
Mike Eyster
Austin Folnagy
Steve Mital
Rosie Pryor
Lisa Fragala

How You Can Get Involved

Public comment is an important component of the Budget Committee meetings. Members of the public are encouraged to express their views on the proposed budget. All meetings of the Lane Community College Budget Committee and Board of Education are open to the public, and most of them include a public comment period. Public comments may be made in person or remotely by following the instructions on the "Public Comment" section of the relevant [board meeting agenda](#). You may also send an e-mail to boecomment@lanecc.edu with questions about how to provide public comment.

Meetings are live streamed and are available through Lane Community College's event streaming page: <https://www.lanecc.edu/community/events/live-college-events>.

Budget Development Process

Lane Community College conforms to Oregon Local Budget Law by following the process outlined below. In addition to providing a financial plan for fiscal year revenues and expenses, Lane's Budget document outlines programs and initiatives, and implements controls on spending authority. The budget development process is designed to encourage citizen input and public opinion about College programs and fiscal policies.

I Establish a Budget Committee

The Budget Committee consists of the seven members of the Board of Education plus seven citizens at large. Each board member appoints one citizen to the committee for a term of three years. Terms are staggered so that about one third of the appointed terms end each year.

II Appoint a Budget Officer

The president or designee shall serve as budget officer. The budget officer shall be responsible for preparation and maintenance of the budget document in compliance with Local Budget Law ORS §294.

III Prepare a Proposed Budget

The Budget Officer supervises the preparation of a Proposed Budget, which includes the following actions:

- A. Discuss budget assumptions with Budget Committee
- B. Develop resource (revenue) estimates and base expenditures budget
- C. Estimate preliminary surplus/deficit
- D. Determine tuition rate
- E. Develop changes to base and final budgets in accordance with internal planning processes and Board of Education approval
- F. Prepare Budget Message for the Budget Committee, public, employees, students, and other stakeholders

IV Public Notice

Lane's Budget Officer publishes a public Notice of Budget Committee Meeting(s).

Prepare Budget: November - April

Public Notice: April - May

Budget Committee Meetings: May

Budget Committee Approval: May

Publication: June

Budget Hearing: June

Adoption by Board: By June 30

Filing & Certification: July 15*

*Oregon Revised Statutes (ORS) section 294: <http://www.leg.state.or.us/ors/294.html>

V Budget Committee Meeting(s)

At least one Budget Committee meeting is held to 1) review the budget message and the document, 2) hear the public, 3) revise, and complete the budget as needed. At the time the proposed budget is distributed to the Budget Committee, it becomes public record and is made available to the public.

VI Budget Approval

When the Budget Committee is satisfied with the proposed budget, including any additions to or deletions from the budget prepared by the Budget Officer, the budget is approved. Note: if the budget requires an ad valorem tax to be in balance, the budget committee must approve an amount or rate of total ad valorem, property taxes to be certified to the assessor.

VII Publication

After the budget is approved, the Board of Education holds a budget hearing. The Budget Officer publishes a summary of the approved budget and a Notice of Budget Hearing.

VIII Budget Hearing

The Budget Hearing is held to receive citizen testimony on the approved budget.

IX Adoption

The Board of Education enacts a resolution to 1) formally adopt the budget, 2) make appropriations and, if needed, 3) levy and categorize taxes. The resolution must be adopted no later than June 30 for the fiscal year starting July 1.

X Budget Filed and Levy Certified

A copy of the complete budget is sent to the Lane County Clerk. When levying a property tax, Lane's Budget Officer submits notice of levy, categorization certification and resolutions to the County Assessor's office by July 15.

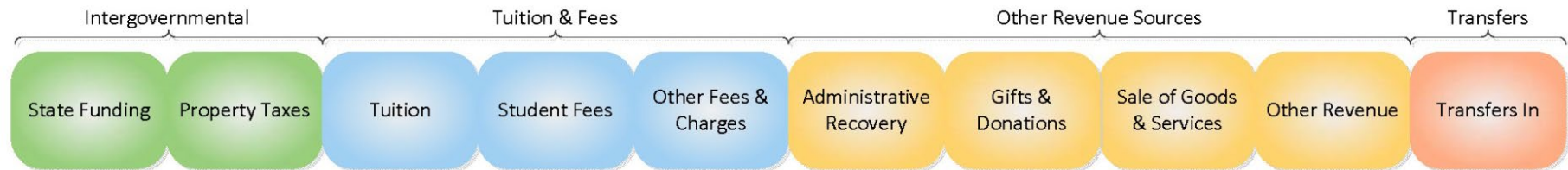
Budget Amendment Process

Budget estimates as shown in the Budget Document may be amended by the Board of Education 1) prior to formal adoption or 2) after formal adoption if amendments are adopted prior to the commencement of the budget fiscal year and the amount of the estimated expenditures for each fund is not adjusted by more than 10%, a summary of the proposed changes must be published and another public Budget Hearing must be held.

Total ad valorem property tax amounts or rates may not be increased following formal adoption of the Budget Document unless 1) an amended Budget Document is republished and another public budget hearing is held and 2) the college obtains written approval and files a supplemental notice of property tax.

This section presents the major operating resource categories for Lane’s primary operating Funds I and IX, and the methodologies used to analyze and forecast each category.

Figure 1: Operating Resource Categories, Funds I and IX



State Funding

The College receives funding from the State of Oregon Department of Community Colleges and Workforce Development (CCWD) through a biennial allocation, paid quarterly to each of Oregon’s 17 community colleges. The total amount funded to CCWD is allocated to each community college district based upon a formula that factors rolling three-year full time equivalent (FTE) student enrollment and property tax revenue into a distribution formula. Enrollment gains relative to other colleges have a positive correlation to state funding allocations, while property tax increases have a negative correlation.

Figure 2: Oregon Community Colleges State Funding Formula

$$\epsilon = \frac{(\text{Next year's-imposed property tax revenue (1)} + \text{General Fund appropriations by the Legislature})}{\text{Total Weighted Reimbursable FTE (2)}}$$

- (1) Imposed property tax revenues do not include (i) taxes levied or imposed by a community college district to provide a public library system established prior to January 1, 1995, (ii) property taxes raised by Local Option Levies and General Obligation Bond Levies, (iii) base payments of \$720 per FTE up to 1,100 and \$360 per FTE for unrealized enrollments between actual enrollment numbers and 1,100 FTE, as adjusted pursuant to OAR 589-002-0100(8)(a), (iv) COD payments, and (v) any other payments directed by the BOE or the Legislature.
- (2) Reimbursable FTEs are calculated based on a three-year weighted average of reported reimbursable FTE submitted by the community college districts to CCWD. Residents of the State and the states of Idaho, Washington, Nevada, and California shall be counted as part of each community college district's reimbursable enrollment base, but only for those students who take part in coursework offered within Oregon's boundaries. The biennial growth management component is applied to each college's actual annual FTE and the result is weighted as follows: prior year enrollment weighted at 40%, second year prior enrollment weighted at 30%, and third year prior enrollment weighted at 30%.

When forecasting Lane’s state funding revenues, staff assess the economic, budgetary, and political environment in the state to project total CCWD funding levels. They then estimate enrollment and property tax levels at Lane and the other 16 community colleges in the state. During the biennial funding cycle, budget and finance staff often model multiple total funding scenarios as it is not possible to predict the ultimate outcome of legislative budget sessions.

Property Taxes

Lane receives property taxes based upon assessed property values in a majority of Lane County and small portions of Linn, Benton, and Douglas Counties. A tax rate limitation was established in 1990 as the result of an amendment to Article XL Section 11b of the Oregon Constitution, often called “Measure 5.” Measure 5 limits education taxes to \$5 per 1,000 of the taxable real market value of property. If taxes on a property exceed the \$5 limit, tax rates are compressed, thereby reducing revenue received by the college. Property tax revenues are incorporated into the state funding formula as illustrated on page 12, and are thus subject to equalization across all 17 community college districts. When forecasting property tax revenues, staff review county records for assessed value and collection rates, actual collections, and housing market trends and forecasts.

Tuition

Credit students at Lane pay a per-credit tuition rate based upon their residency status. Tuition revenue is forecast through term-by-term enrollment trend analysis, review of external and environmental factors (such as economic and employment conditions, high school graduation rates, and financial aid regulatory changes), application of tuition rate changes, and offsets such as tuition waivers and discounts.

Student Fees

There are a variety of student fees for credit and non-credit students at Lane that factor into revenue forecasts and projections:

- The **Technology Fee** is assessed to all credit students at a rate of \$13 per credit. The fee helps cover the cost of technology used to run classes and serve students through technology-enhanced “smart” classrooms, online courses, Wi-Fi, internet access, computer labs, and staff support.
- Students taking credit classes on main campus are assessed a **Transportation Fee** of \$27 per term. This fee pays for expenses related to parking lot maintenance and security, as well as providing all credit students with a Lane Transit District (LTD) bus pass for the term. Credit students taking classes at locations other than main campus pay \$5 per term for transportation fees. This pays for expenses related to parking lot maintenance and security at outreach sites. Proposals for special transportation projects are reviewed and voted on by a Transportation Fee Committee. Past projects include a covered bike parking structure and purchase of a fleet of bikes that are loaned to students on a per-term basis at no cost.
- Main campus credit students also pay a \$63.57 per term **Student Activity Fee**. The fee is assessed annually by the Board of Education, based on recommendations from the Student Activity Fee Committee and the President, and is used to support student activities and services.
- The **Student Health Fee** of \$45 per term is paid by students taking credit courses on main campus and is used to fund the College’s Health Clinic.
- Credit students enrolling in their first term at Lane are assessed a one-time, \$30, **One-Time Credit Enrollment Fee**. This fee helps cover the cost of placement testing and degree evaluation.
- Students taking online and hybrid courses pay a \$10 per credit **Online Credit Fee** with a cap at \$50 to support online course development, technological support, tutoring support and quality assessment.
- Students in high-cost health professions and advanced technology programs pay **Differential Fees** that vary by program and help offset cost differentials in these programs.
- Students pay class fees that go into an **Income Credit Program (ICP)** fund for a variety of consumable, class-specific materials, supplies and equipment. These vary by class and are usually expensed in the year in which they are received.
- Continuing Education students pay **Continuing Education Course Fees**, which vary by course.
- The **International student fee** is \$125 for full time international students.

Staff forecast student fee revenue based upon credit enrollment and headcount projections, new credit student headcount projections, program-specific enrollment, fee rate changes, and trend analysis.

Other Fees and Charges

Other fees and charges include charges for bad debt provision (contra-revenue), facilities rental, late charges, admissions fees, and other miscellaneous user fees and charges. These are projected using trend analysis and analysis of program-specific plans and activities.

Administrative Recovery

The general fund receives administrative recovery from several sources:

- The International Program contributes to the general fund on an annual basis to offset overhead and administrative costs.
- The Lane Community College Foundation reimburses the general fund for some staff salaries, based on actual payroll and benefit expenses.
- The College receives revenue from grant programs it administers. Revenue is based upon the chargeback or administrative rate, which varies by grant. This is forecast by reviewing the College's current grant portfolio and anticipated new grant activity.
- Finally, the College receives funding for administering student Pell grants at a rate of \$5 per student per term. This is forecast through Pell enrollment projections.

Gifts and Donations

A primary source of gift and donation revenue in Funds I and IX is membership contributions through the College's radio station, KLCC FM. Membership contributions are forecast through trend analysis and radio station strategic planning metrics. Another primary source of gift and donation revenue is the Lane Community College Foundation through program support and student scholarships. Other sources of gifts and donations come from specific program-support donations.

Sale of Goods and Services

This category includes revenue from Specialized Support Services (S3) contracts, KLCC FM underwriting, dental clinic billing, and other miscellaneous sales revenue. Revenue is forecast by program-specific trend analysis and activity projections.

Other Revenue Sources

Other revenue sources include interest income, credits, rebates, and miscellaneous other revenue. Revenues in this category are forecast individually by activity. Interest income is forecast by analyzing the College's investment portfolio and return rates. Other revenues in this category are forecast using trend analysis and activity projections.

Operating Transfers In

This category includes interfund operating transfers for items such as program support and salary reimbursement. These transfers are forecast based on a standard budgetary transfer schedule, and analysis of program or activity changes.

Table 2: Summary of Resource Categories, Data Sources and Key Forecasting Variables/Assumptions

Resource Category	Data Sources	Key Forecasting Variables/Assumptions
Intergovernmental		
State Funding	<ul style="list-style-type: none"> • CCWD funding worksheet • State economic and political environmental scanning and analysis • Lane enrollment trends and projections • Enrollment trends and projections from other community colleges • Property tax revenues 	<ul style="list-style-type: none"> • Biennial funding base • Lane enrollment • Other Oregon community colleges' enrollment • Lane property tax revenue • Other Oregon community colleges' property tax revenue
Property Taxes	<ul style="list-style-type: none"> • County assessed value and collection rates, actual collections, housing market trends and forecasts 	<ul style="list-style-type: none"> • % increase/decrease
Tuition and Fees		
Tuition	<ul style="list-style-type: none"> • Credit enrollment trends • Environmental scanning and analysis • Actual receipts 	<ul style="list-style-type: none"> • Tuition rate • Enrollment % change
Student Fees	<ul style="list-style-type: none"> • Credit enrollment and headcount trends • Program-specific plans and analysis • Actual receipts 	<ul style="list-style-type: none"> • Fee rates • Enrollment % change
Other Fees and Charges	<ul style="list-style-type: none"> • Credit enrollment • Service and activity levels • Program-specific plans and analysis • Bad debt write-offs, receivable and collections trends, balance sheet analysis 	<ul style="list-style-type: none"> • Service and activity changes • Collection rates

(Continued)

Resource Category	Data Sources	Key Forecasting Variables/Assumptions
Administrative Recovery	<ul style="list-style-type: none"> • Administrative recovery schedules • Pell credit enrollment • Grant activity • Foundation staff position list 	<ul style="list-style-type: none"> • Standard schedule • Staffing and activity changes
Gifts and Donations	<ul style="list-style-type: none"> • KLCC FM membership trends and forecasts • Foundation program support activity 	<ul style="list-style-type: none"> • KLCC FM membership % increase/decrease • Foundation activity
Other Revenue	<ul style="list-style-type: none"> • Credit and continuing education enrollment • Actual receipts • Investment rates and portfolio • Department plans and forecasts 	<ul style="list-style-type: none"> • Service and activity changes • Investment portfolio and return rates
Sale of Goods and Services	<ul style="list-style-type: none"> • Service and activity levels • Actual receipts • Department plans and forecasts 	<ul style="list-style-type: none"> • Service and activity changes
Transfers In		
Operating Transfers In	<ul style="list-style-type: none"> • Budgeted transfers • Actual transfers • Scheduled updates 	<ul style="list-style-type: none"> • Standard schedule

Table 3: History of Resources, Funds I and IX

Category	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022
State Funding*	18,344,100	36,770,300	31,213,000	31,421,400	27,230,100	24,884,600	22,538,700	25,645,000	25,961,600	28,707,400
as % Total	13.35%	13.42%	12.84%	11.46%	9.94%	8.67%	7.97%	7.99%	8.10%	8.00%
CCWD Funding Allocation										
Property Taxes	16,292,300	16,513,100	17,527,800	18,013,800	18,746,800	19,728,800	21,173,200	21,522,000	22,335,100	23,029,100
	34,636,400	53,283,400	48,740,800	49,435,200	45,976,900	44,613,400	43,711,900	47,167,000	48,296,700	51,736,500
as % Total	38.1%	51.8%	51.4%	52.9%	52.4%	50.6%	49.8%	52.4%	51.1%	53.2%
Tuition	35,951,600	31,818,900	27,904,500	23,956,600	23,730,100	23,208,900	22,874,200	24,116,800	23,160,100	20,703,500
Student Fees	8,354,900	7,597,400	7,041,300	6,472,300	7,680,500	9,365,900	9,404,200	8,516,600	10,079,200	8,675,800
Other Fees & Charges	1,456,800	1,437,900	1,398,100	1,384,500	1,294,100	1,325,900	1,305,100	715,900	1,294,700	2,485,600
	45,763,300	40,854,200	36,343,900	31,813,400	32,704,700	33,900,700	33,583,500	33,349,300	34,534,000	31,864,900
as % Total	50.3%	39.7%	38.3%	34.1%	37.3%	38.5%	38.2%	37.1%	36.5%	32.8%
Administrative Recovery	1,128,400	571,100	1,293,700	1,889,700	1,985,100	1,898,000	4,096,800	2,016,400	1,997,500	1,376,600
Gifts & Donations	1,030,600	900,300	1,194,500	1,139,500	1,217,100	1,235,400	1,457,800	1,754,800	1,500,600	1,476,900
Other Revenue Sources	3,630,900	3,020,300	3,020,200	2,677,700	1,278,400	1,211,700	1,185,300	2,081,900	5,761,300	5,098,600
Sale of Goods & Services	2,297,900	2,298,800	2,618,600	3,158,400	2,937,700	2,656,400	2,588,900	2,291,400	1,602,000	2,042,800
	8,087,800	6,790,500	8,127,000	8,865,300	7,418,300	7,001,500	9,328,800	8,144,500	10,861,400	9,994,900
as % Total	8.9%	6.6%	8.6%	9.5%	8.5%	7.9%	10.6%	9.0%	11.5%	10.3%
Operating Transfers In	2,455,500	1,884,500	1,619,000	3,294,700	1,559,100	2,605,300	1,176,100	1,334,200	865,900	3,596,700
as % Total	2.7%	1.8%	1.7%	3.5%	1.8%	3.0%	1.3%	1.5%	0.9%	3.7%
Total All	90,943,000	102,812,600	94,830,700	93,408,600	87,659,000	88,120,900	87,800,300	89,995,000	94,558,000	97,193,000

Source: Lane Community College Budget Office, Banner/CAFR

*Adjusted for 4th quarter payment

Operating Requirements

This section presents the major operating requirement categories for Lane's primary operating Funds I and IX, and the methodologies used to analyze and forecast each category.

Figure 3: Operating Requirement Categories, Funds I and IX

**Contracted Salaries and Wages**

This expenditure category includes salaries and wages for contracted faculty, contracted classified staff with assignments of .5 to 1.0 full time equivalency (FTE), and contracted management employees.

Each contracted employee position is tracked in the College's position list database system. Using the position database, position by position salary forecasts are calculated. The calculations consider level, step, vacancy status, FTE assignment, and salary schedule/cost of living adjustments. A "swirl" factor is applied to contracted personnel forecasts, which is the savings realized through contracted personnel attrition, and hiring that occurs after the base projection position list is developed. This swirl factor is analyzed annually and the ten-year average is 2.1%.

Part-Time Salaries and Wages

All non-contracted salaries and wages are classified as part-time. These include part-time and non-credit faculty (adjunct faculty), faculty overload, hourly classified staff, classified overtime, hourly management assignments, and student workers. Part-time expenditures are forecast using historical trend analysis, regression analysis, department-by-department enrollment trends and contracted employee levels, and application of step and salary schedule/cost of living adjustments.

Other Payroll Expenses (OPE)

This category includes all personnel-related expenditures outside of salaries and wages. A breakdown of OPE expenditures is shown in table 4 below.

Table 4: Fiscal Year 2022 Actual OPE Expenditures - All College Funds

Category	Amount	% Total
Medical insurance	12,100,304	40.1%
Oregon Public Employees Retirement System (PERS)	7,213,204	23.9%
Pension obligation bond payments	5,949,250	19.7%
FICA (social security & Medicare)	3,985,684	13.2%
Employee tuition waiver program	316,285	1.0%
Classified benefit stipend	219,830	0.7%
Other miscellaneous expenses	253,885	0.8%
Unemployment insurance	77,489	0.3%
Workers compensation	87,046	0.3%
Total All	30,202,978	100%

The College allocates OPE by applying a blended rate to 1) contracted salaries and wages, 2) part-time faculty, classified staff, and managers, and 3) a flat 10% rate to student workers. Contracted and part-time rates are calculated by estimating total salary and wage bases, updating and applying payroll tax and PERS rates, then updating and allocating other costs. A history of OPE rates is presented in table 5.

Table 5: 15-Year OPE Rate History

Fiscal Year	09	10	11	12	13	14	15	16	17	18	19	20	21	22	23
Contracted Rate (%)	50.4	55.5	55.5	59	63	65	64	64	64	65	65	64	65	67	66
Part-Time Rate (%)	30.3	31.2	31.2	35	36	37	38	38	38	39	39	38	37	40	40
Student Rate (%)	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10

The College has been able to stem OPE significant rate escalation in recent years due to containment of medical insurance costs, and mitigation of PERS rate increases through pension bond investment and PERS reserve funds. The College also transitioned all contracted employees to Oregon Educators Benefit Board (OEBB) health plans in FY20. The FY24 OPE rates for contracted salaries and part-time decreased by 2%.

Direct OPE Rate

When developing pro forma analyses for contract negotiations related to step and salary schedule increases, staff use a “Direct Rate” of 25%, which represents the variable additional costs (payroll taxes and PERS) applied to increased salary bases.

Materials and Services

This broad expenditure category includes instructional and office supplies, contract and professional services, travel, fees and dues, and facilities and equipment maintenance. A subset of materials and services is categorized as mandatory expenditures, which are general fund expenses that are legally, contractually, or operationally required and serve the entire College. Staff forecast materials and services expenditures using historical trend analysis, analysis of changes in mandatory expenditures, and program-specific trend analysis and activity projections.

Capital Outlay

Capital outlay encompasses land, buildings, improvements, machinery and equipment with a depreciable value of \$10,000 or more. It also includes library books with depreciable useful life exceeding two years. An annual allocation is provided from the general fund to prioritized departmental capital needs through the department planning process.

Goods for Resale

Goods for resale are items purchased for resale and include parking and bus passes, food, and books. Staff forecast goods for resale using trend analysis, enrollment projections, and program-specific activity and sales projections.

Operating Transfers Out

This category includes interfund operating transfers for items such as program support, salary reimbursement, institutional financial aid match obligations, and capital maintenance and investments. These transfers are forecast based on a standard budgetary transfer schedule and analysis of program or activity changes.

Table 6: Summary of Requirement Categories, Data Sources and Key Forecasting Variables/Assumptions

Requirement Category	Data Sources	Key Forecasting Variables/Assumptions
Personnel		
Contracted Salaries & Wages	<ul style="list-style-type: none"> • Position list • Salary schedules by employee group • Step and salary schedule adjustments or contract negotiation parameters • Swirl factor 	<ul style="list-style-type: none"> • Staffing levels • Contract negotiations
Part-Time Salaries & Wages	<ul style="list-style-type: none"> • Enrollment and activity levels • Contracted staffing levels • Step and salary schedule adjustments or contract negotiation parameters 	<ul style="list-style-type: none"> • Enrollment levels • Contracted staffing levels • Contract negotiations
Other Payroll Expenses (OPE)	<ul style="list-style-type: none"> • Actual collections and expenses • Base salary levels • PERS rates • Contract negotiation parameters, including medical insurance 	<ul style="list-style-type: none"> • Staffing levels; total salaries and wages • Health insurance premiums • PERS rates
Other Expenditures		
Materials & Services	<ul style="list-style-type: none"> • Enrollment and activity levels • Actual expenditures • Mandatory requirements • Department plans and forecasts 	<ul style="list-style-type: none"> • Enrollment and activity levels • Mandatory changes
Capital Outlay	<ul style="list-style-type: none"> • Capital outlay allocation • Department plans and forecasts 	<ul style="list-style-type: none"> • Allocation funding
Goods for Resale	<ul style="list-style-type: none"> • Sales revenue • Actual expenditures • Department plans and forecasts 	<ul style="list-style-type: none"> • Enrollment and activity levels • Sales forecasts
Transfers Out		
Operating Transfers Out	<ul style="list-style-type: none"> • Budgeted transfers • Actual transfers • Scheduled updates 	<ul style="list-style-type: none"> • Standard schedule

Table 7: History of Requirements, Funds I and IX

	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022
Personnel										
Contracted Salaries & Wages	36,142,700	37,152,900	36,913,200	35,014,900	35,843,900	35,530,200	35,945,800	37,433,900	36,331,500	38,606,400
Part-Time Salaries & Wages	17,738,100	16,042,100	12,580,300	12,829,300	12,195,800	12,028,100	12,108,000	11,866,700	10,623,100	10,697,300
Other Payroll Expenses (OPE)	28,796,700	27,649,900	26,866,500	26,907,200	26,068,800	27,037,900	26,491,600	27,692,000	29,900,700	28,154,200
	82,677,500	80,844,900	76,360,000	74,751,400	74,108,500	74,596,200	74,545,400	76,992,600	76,855,300	77,457,900
as % Total	80.3%	81.1%	82.5%	80.4%	81.4%	81.8%	80.4%	83.2%	85.6%	80.9%
Other Expenditures										
Materials & Services	14,885,100	13,902,000	12,007,200	12,305,700	12,168,000	11,826,200	12,772,900	12,201,200	10,394,600	13,689,100
Capital Outlay	398,000	320,200	304,300	557,100	819,100	798,700	364,700	453,800	250,400	138,200
Goods for Resale	1,006,200	994,200	773,100	715,900	720,000	643,100	536,800	351,800	124,300	165,500
	16,289,300	15,216,400	13,084,600	13,578,700	13,707,100	13,268,000	13,674,400	13,006,800	10,769,300	13,992,800
as % Total	15.8%	15.3%	14.1%	14.6%	15.0%	14.5%	14.8%	14.1%	12.0%	14.6%
Transfers Out										
Operating Transfers Out	3,959,200	3,679,100	3,060,900	4,598,800	3,266,100	3,361,000	4,485,300	2,522,200	2,158,900	4,286,000
as % Total	3.8%	3.7%	3.3%	4.9%	3.6%	3.7%	4.8%	2.7%	2.4%	4.5%
Total All	102,926,000	99,740,400	92,505,500	92,928,900	91,081,700	91,225,200	92,705,100	92,521,600	89,783,500	95,736,700

Source: Lane Community College Budget Office, Banner/CAFR

State Community College Budget. The Community College Support Fund (CCSF) is a biennial allocation in the State budget adopted by the Legislative Assembly in odd-numbered years (the “Legislatively Adopted Budget”). The Legislatively Adopted Budget covers two fiscal years (a biennium) beginning July 1 of an odd-numbered year and ending June 30 of the next odd-numbered year. The Legislatively Adopted Budget allocates funding for Community College and Workforce Development (CCWD) State agencies. The Assembly has the authority to subsequently approve revisions to the Legislatively Adopted Budget, which is termed the “Legislatively Approved Budget.”

The Oregon Constitution requires the Legislative Assembly to balance the State’s General Fund budget. The Department of Administrative Services’ Office of Economic Analysis (OEA) produces a quarterly revenue forecast for the biennium. In odd years, the OEA also produces a “Close of Session Forecast” after the end of the legislative session, which adjusts the economic forecast to include any legislative changes. If OEA’s assumptions are not realized, then the State’s financial projections may not be achieved. Copies of the Revenue Forecasts are available on OEA’s website, www.oregon.gov/das/OEA.

If, over the course of a biennium, forecasted revenues decline significantly from the Close of Session Forecast, additional action may be taken. The Legislative Assembly may call a special session to rebalance the budget, the Governor may direct reduced spending, or the Legislative Assembly may adjust the budget during regular session at the end of the biennium.

2021-2023 Biennium Revenue Forecast. In February 2023, the OEA released the March 2023 Revenue Forecast. The March 2023 Revenue Forecast for gross General Fund revenues for the 2021-2023 biennium was \$28,795 million, an increase of \$497 million from the previous December 2022 forecast.

Personal income tax collections continue to outpace expectations through the end of the year 2022.

Table 8: State General Fund Forecast Summary (\$ in Millions)

	2021-23 Biennium Revenue Forecast			March 2023 Forecast – Change From	
	Close of Session	December 2022	March 2023	Prior Forecast	Close of Session
Structural Revenues					
Personal Income Tax	\$20,628.1	\$23,945.5	\$24,185.4	\$240.0	\$3,557.4
Corporate Income Tax	\$1,344.0	\$2,648.0	\$2,889.4	\$241.5	\$1,545.5
All Other Revenues	\$1,353.5	\$1,740.7	\$1,720.2	\$15.5	\$366.7
Gross General Fund Revenues	\$23,325.5	\$28,298.1	\$28,795.0	\$496.9	\$5,469.5
Offsets, Transfers, and Actions	-\$417.6	-\$468.0	-\$477.8	-\$9.8	-\$60.3
Beginning Balance	\$3,025.6	\$4,082.5	\$4,082.5	\$0.0	\$1,056.9
Net Available Resources	<u>\$26,008.4</u>	<u>\$32,001.6</u>	<u>\$32,488.7</u>	<u>\$487.1</u>	<u>\$6,480.3</u>
Appropriations	\$25,446.0	\$27,861.0	\$27,861.0	\$0.0	\$2,415.0
Ending Balance	\$562.4	\$4,140.6	\$4,627.6	\$487.1	\$4,065.2

Lane County Worker Profile¹. As of February 2023, the median age in Lane County was 39.5 years old, with 55.5% of the county's population participating in the labor force. The Lane County Employment Projections (2021-2031), estimates a 12% increase in total employment by 2031. The leading industry is in leisure and hospitality with a projected 4,800 jobs (32% growth). The next highest are Private health care and social assistance 4,600 jobs (17% growth) and trade, transportation, and utilities with 2,400 jobs (9%). Lane Community College offers programs that meet today's workforce demands and develop skilled employees to fill tomorrow's workforce needs.

Employment in Lane County¹. Lane County's seasonally adjusted unemployment rate was 4.8% in December 2022, a .5% increase from February 2022. Oregon's seasonally adjusted unemployment rate in February 2022 was 4%, which was 0.2% higher than the national rate.

The unemployment rates have decreased from the historical high rates from 2020 and 2021 that were caused in part from the public health response to COVID-19. This, however, has not increased the College's enrollment. The College continued to suffer losses in enrollment in FY22. As shown in Chart 5 (page 27), pre-pandemic unemployment rates tended to have a significant impact on the College's enrollment.

COVID-19. In March 2020, the World Health Organization characterized COVID-19 as a pandemic. In an effort to save lives and stop the spread of COVID-19, Oregon Governor Kate Brown issued a series of Executive Orders to address the impact of the disease on Oregonians. The economic disruption caused by COVID-19 impacted Lane Community College throughout FY20-FY23, and will continue to have an impact as the College prepares for FY24.

Chart 3: Lane County Unemployment Rate

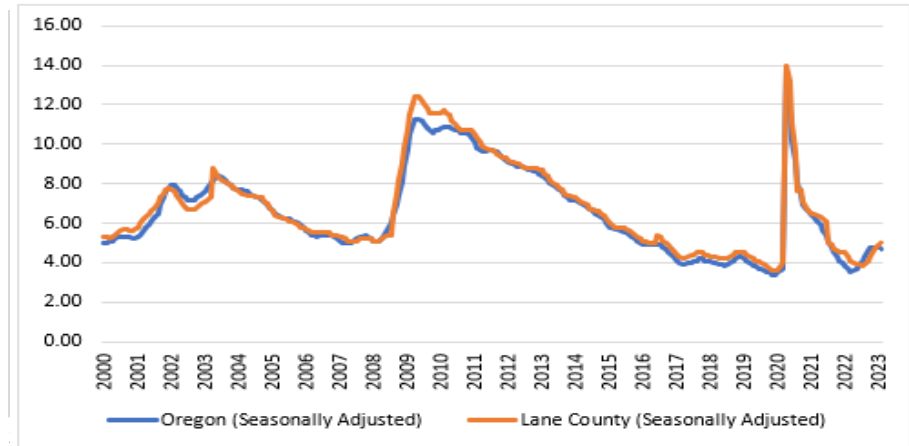
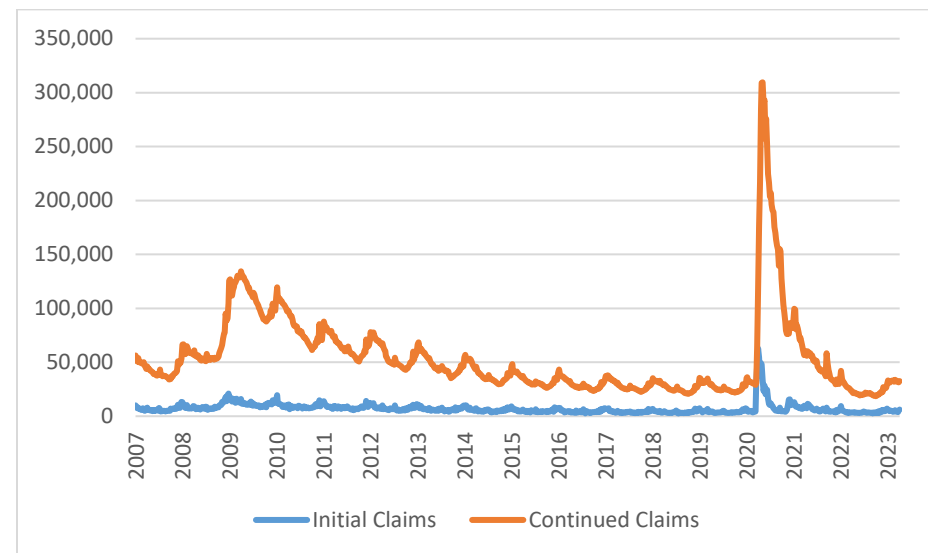


Chart 4: Oregon Initial Claims for Unemployment Insurance



Source: United State Department of Labor Employment and Training Administration

As a federal response to the COVID-19 pandemic, the United States Congress passed the CARES Act, the CRRSA Act, and the ARP Act, and the legislation was signed into law. Each piece of legislation included a Higher Education Emergency Relief Fund (HEERF), and the College received awards from each Act. The awards stipulated the use of the funds, but each award included dedicated funding for both COVID-related institutional expenses and emergency student financial aid grants. The federal awards also permit lost revenue recovery due to the pandemic. Lost revenue is defined as revenue that was anticipated, but not received, due to the pandemic. Primary sources of lost revenue for the College are academic and auxiliary services. The HEERF Awards will expire in FY23.

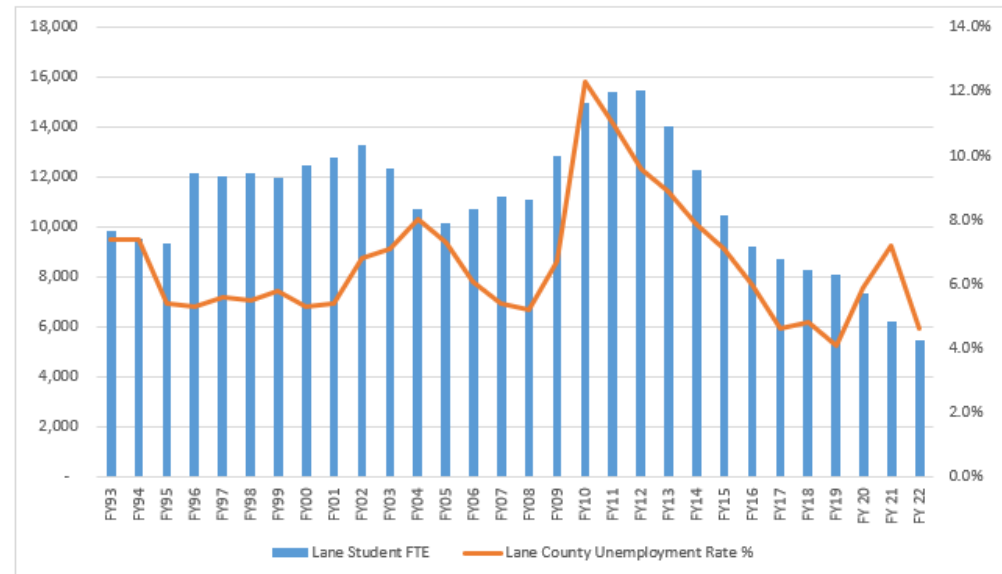
Higher Education Price Index.⁴ The Commonfund Higher Education Price Index (HEPI) is an inflation index designed specifically to track the major cost drivers in higher education. It is an essential planning tool for educational managers, helping institutions to understand the future budget and funding increases required to maintain real purchasing power. HEPI is issued annually by Commonfund Institute and is distributed free of charge to educational institutions.

HEPI is a more accurate indicator of changes in costs for colleges and universities than the more familiar Consumer Price Index. It measures the average relative level of prices in a fixed basket of goods and services purchased by colleges and universities each year through current fund educational and general expenditures, excluding research.

HEPI is compiled from data reported and published by government and economic agencies. The eight categories cover current operational costs of colleges and universities. These include salaries for faculty, administrative employees, clerical employees, and service employees, fringe benefits, utilities, supplies and materials, and miscellaneous services.

As reflected in Chart 6 on the following page, the 2022 National HEPI is 5.2%, which is an increase of 2.7% from the previous year.

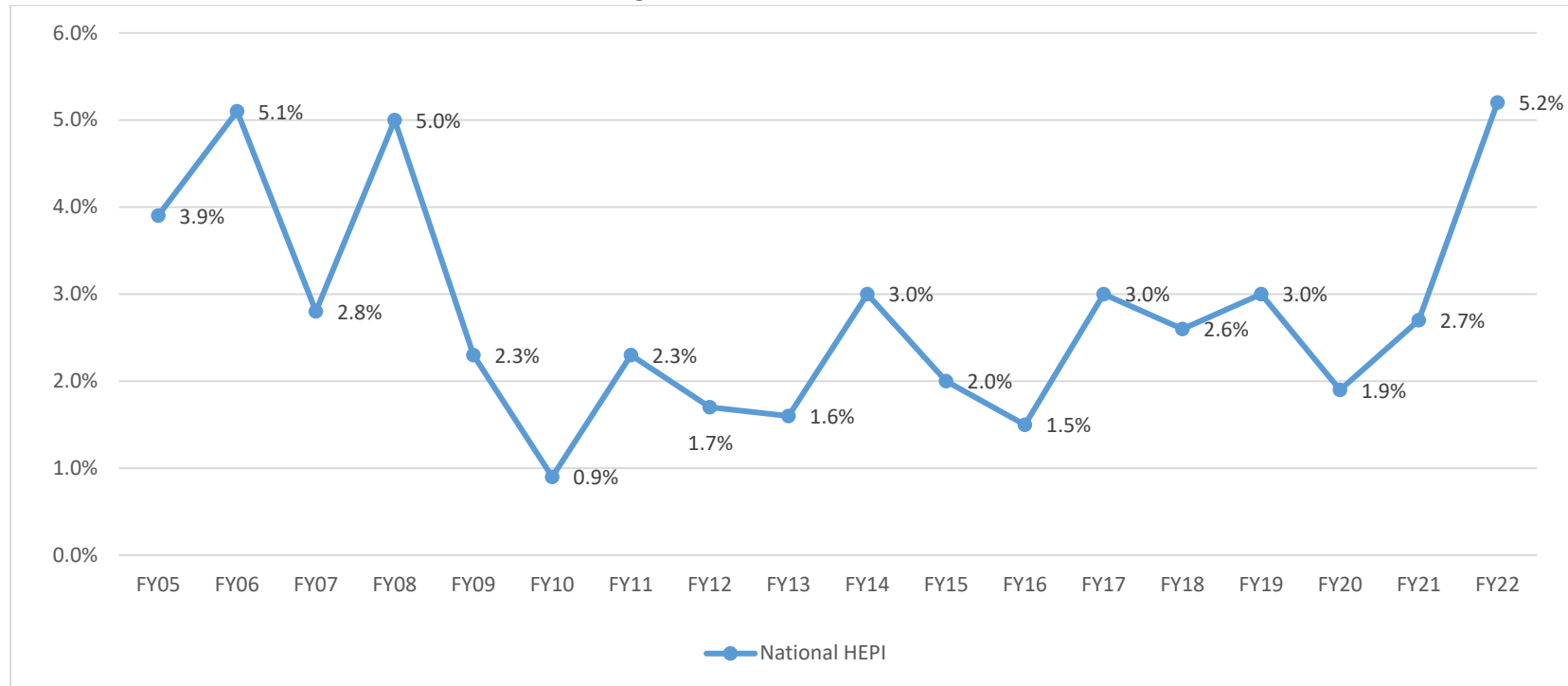
Chart 5: Unemployment Comparison to Student Full Time Equivalent (FTE)



⁴ <https://www.commonfund.org/research-center/press-releases/2022-higher-education-price-index-hepi-report-released>

In 2018, the Commonfund Institute revised its methodology for calculating inflationary changes to faculty salaries and fringe benefits. This information was originally excluded from the 2016 and 2017 HEPI. The new methodology was applied to prior years, which caused the Commonfund Institute to publish revised price indices for the previous 4 years.

Chart 6: Higher Education Price Index, FY05-FY22

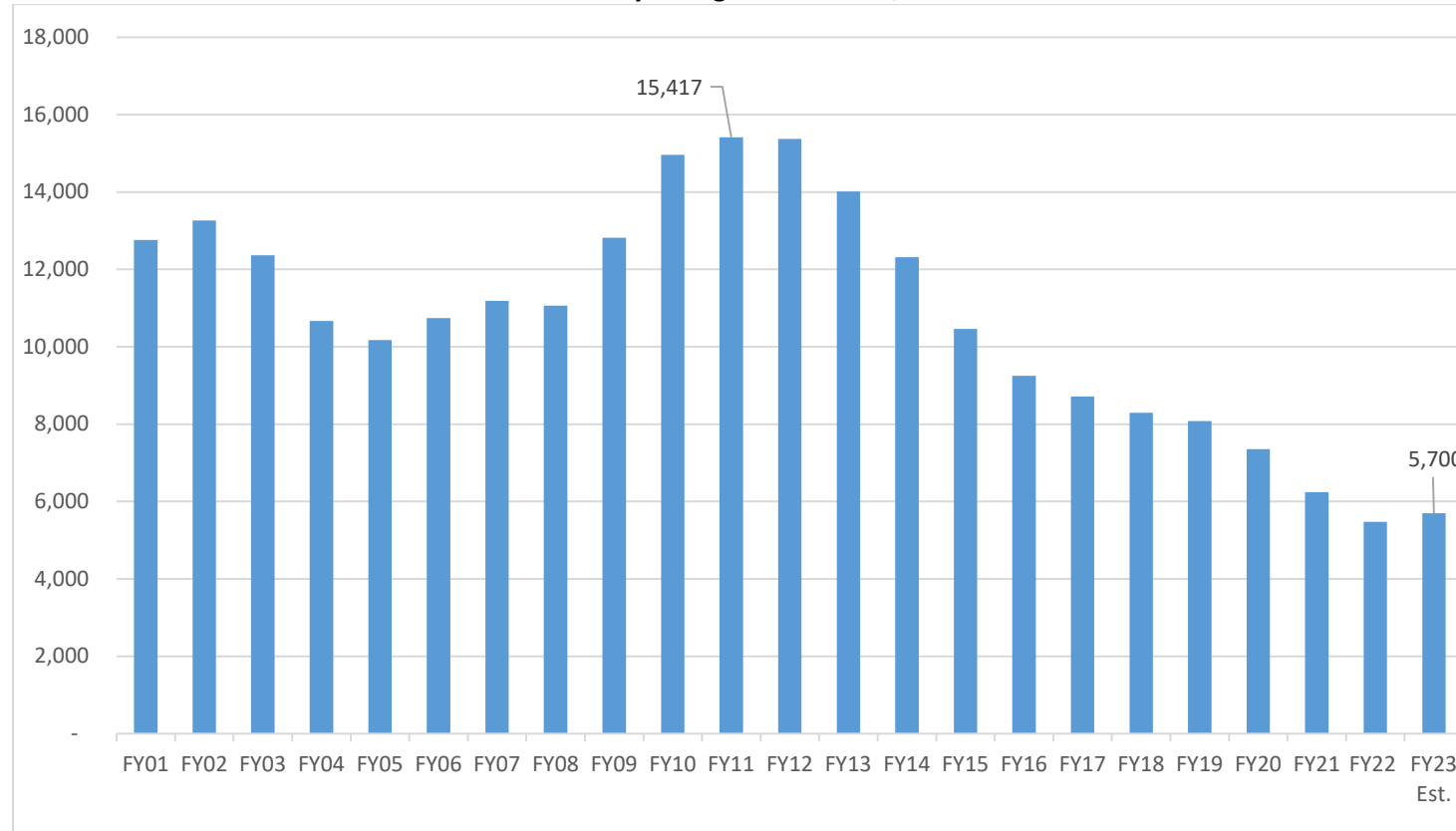


Public Employees Retirement System (PERS). Public employers in Oregon are bracing for significant increases to pension costs over the next several biennia due to changes in the system's economic assumptions that have resulted in a preliminary unfunded liability of more than \$19.7 billion as of December 31, 2021. Lane Community College will face estimated increases up to \$3.5 million in 2023-2025 biennium, and an additional \$400 thousand in the 2025-2027 biennium. Without further PERS reform, and an additional sale of PERS Bonds, total projected contributions are estimated to increase by \$17.4 million for the 2027-2029 biennium, when compared to the current biennium. The College prudently funded a PERS reserve in anticipation of rate increases. The College utilized \$860,000 of this fund in fiscal years 2018-2022 to stabilize OPE rates and did not utilize \$860,000 in 2023 fiscal year due to sale of PERS Bond Series 2022. The FY24 beginning PERS reserve fund balance is \$1.2 million.

Issues and Opportunities

Enrollment. As shown in Chart 7 below, Lane's enrollment is estimated to fall to a 33-year low of 5,700, full-time equivalent (FTE) in 2023 representing a 63% decline from its peak in 2011.

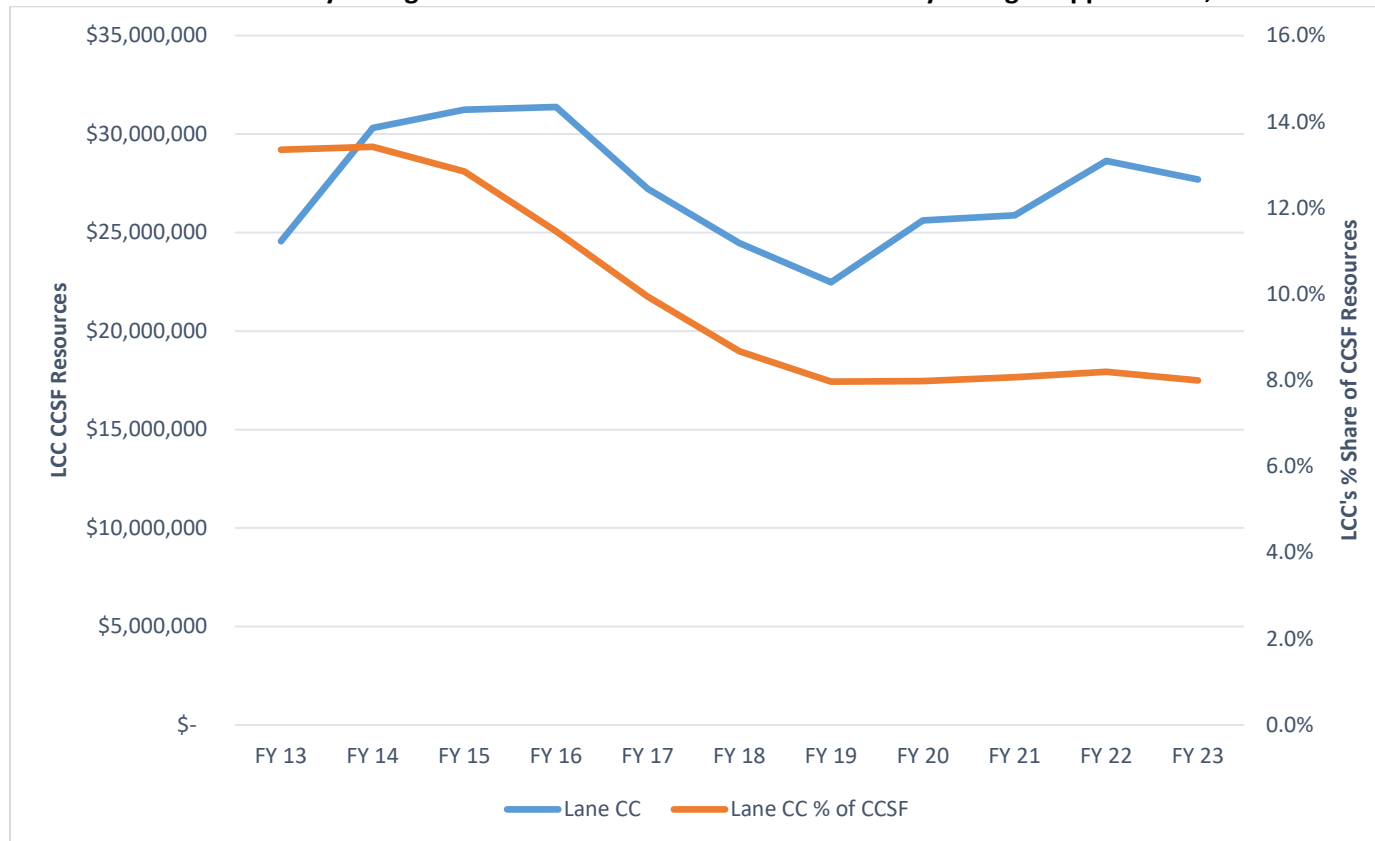
Chart 7: Lane Community College Student FTE, FY00-FY23 Estimate



Many factors impact college enrollment. In addition to unemployment drivers, the College also faces change in federal financial aid policies, shifting county demographics, impacts of the K-12 educational system and environment, and increased competition from online and for-profit educational institutions. In response, the College is working to increase student enrollment and success through several strategic efforts, including the Guided Pathways initiative, a Strategic Enrollment Management Plan, investments in customer relationship management (CRM) and enrollment management tools, expanded remote supports for tutoring and library resources, development of a Mental Health and Wellness Center, late start initiatives, enhanced summer term offerings, increased investment in first-year experience programs and student advising, continued investments in academic technology (online courses and open educational resources), streamlined application processes, and college-wide program review. The pandemic has slowed several of these initiatives due to the challenges of remote and mixed remote/in-person work environments, coordination of social distancing and technology enhancements for collaborative work, and focus on urgent safety-related COVID response measures and communication across campus.

Enrollment is critical to the educational mission of the College and is essential to its financial health. The primary revenue streams of state funding and tuition and fees are directly dependent upon enrollment. Tuition and fee income are dependent upon three primary factors: number of students, credits enrolled, and, instruction time. State funding from the Community College Support Fund (as well as property tax revenue) is generally distributed in proportion to each college's percentage of the total student FTE throughout community colleges in the State (or in proportion to each college's share of the FTE distribution). State funding for the 2023-2025 biennium projected to be \$699 million for community colleges. The Lane Community College Budget Office projects that LCC will receive 7.7% of the Community College Support Fund (CCSF) in FY24. As shown in Chart 8 below, LCC's share of state funding has declined from its recent peak in 2016.

Chart 8: Lane Community College's Annual Resources from the Community College Support Fund, FY13-FY23



Tuition

The most recent (2022) Higher Education Price Index forecast was 5.2% for fiscal year 2022. The February 2022 Consumer Price Index (CPI) was 7.2%.

In April 2023, the LCC Board of Education approved a \$6.5 per credit tuition increase for FY24. Significant tuition increases, not pegged to inflation, adversely affect student enrollment in the next academic year. The College, therefore, adopted board policy BP725, which states:

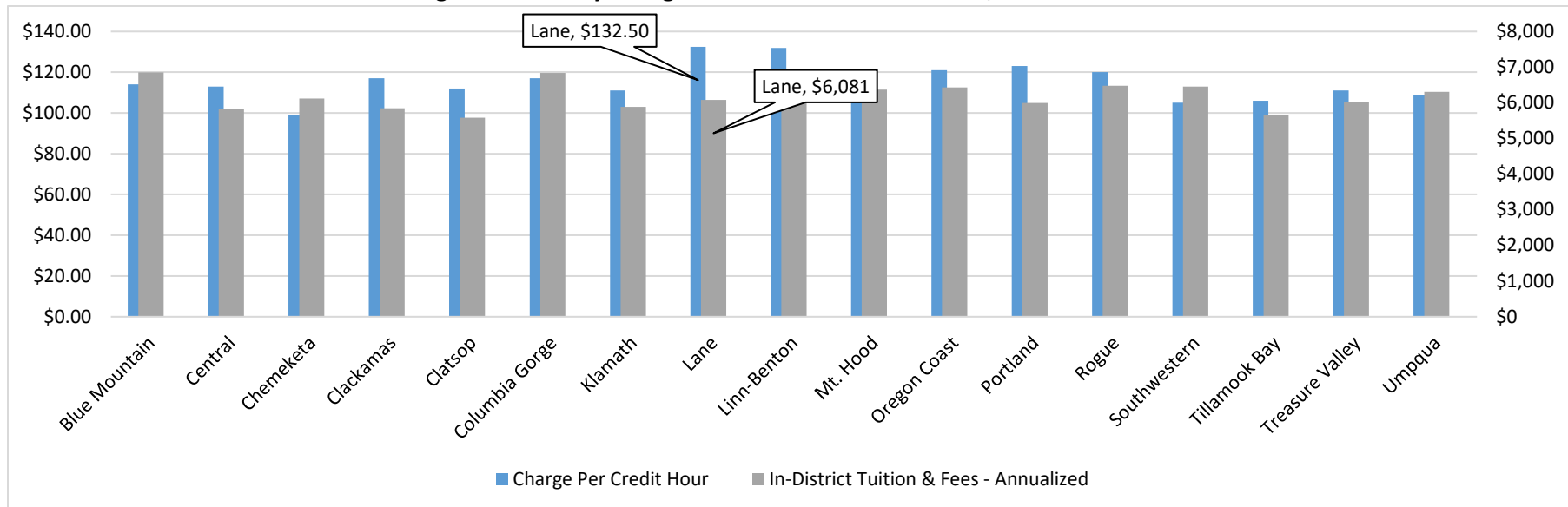
In order to maintain a constant tuition rate relative to inflation, each year, the board may consider an appropriate index for two-year public colleges on which to discuss a tuition increase. Each year, the board may adjust the per credit tuition rate to reflect the needs of the college. The rate will be rounded to the nearest half-dollar and become effective the following academic year (Summer Term).

Each year, the board will review Lane's tuition rates to ensure: a) that tuition revenues are appropriate for the needs of the district, b) that Lane's tuition is comparable with other Oregon community colleges that are similar to Lane in terms of student FTE and instructional programs, c) access and affordability, and d) the revenue requirements of the college.

Should the board conclude that increases above the selected index are required, the board will assure that there are college-wide opportunities, particularly with students, to engage in discussions about the impact of tuition increases on access, affordability and course offerings. Should the board conclude that tuition reduced, the board will similarly assure that there are opportunities to engaged in college-wide discussions about the impact on course offerings, access and affordability.

With enrollment declines impacting Lane's share of community college support funds, the College increasingly relies on tuition and fee revenue to support its expenditure base.

Chart 9: Oregon Community Colleges In-District Tuition and Fees, FY22-FY23 Academic Year



Source: Oregon Department of Community Colleges and Workforce Development

Personnel Costs

Even as enrollment at the College dips to historical lows, FY22 personnel costs in operating funds I and IX continued to grow even though student and personnel FTE is declining.

Table 9: Student and Personnel Trends

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Student FTE	9,250	8,716	8,306	8,077	7,354	6,246	5,587
Personnel FTE	830	808	792	786	778	712	695
Student to Personnel FTE	11.1	10.8	10.5	10.3	9.5	8.8	8.0
Salary, Wages and OPE	\$ 74,751,296	\$ 74,108,538	\$ 74,596,075	\$ 74,545,407	\$ 76,992,614	\$ 76,855,243	\$ 76,021,565

Funds I and IX, Source: Lane Community College Budget Office

2023-2027 LONG RANGE PLANNING

MISSION

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

VISION

Transforming lives through learning

STRATEGIC GOALS

Improve diversity, equity and inclusion in student access and achievement

Increase enrollment

Engage in continuous improvement

Increase student success

Improve financial stability and sustainability

Identify strategic infrastructure investments

LONG RANGE FINANCIAL PLANNING

Expenditure Strategies

Revenue Strategies

Asset and Liability Funding Strategies

Political and Economic Environment

VALUES

Learning • Working together to create a learning-centered environment • Recognizing and respecting the unique needs and potential of each learner

Diversity • Welcoming, valuing and promoting diversity among staff, students and our community • Cultivating a respectful, inclusive, and accessible working and learning environment

Innovation • Supporting creativity, experimentation, and institutional transformation • Responding to environmental, technological, and demographic changes

Collaboration & Partnership • Promoting meaningful participation in governance • Encouraging and expanding partnerships with organizations and groups in our community

Integrity • Fostering an environment of respect, fairness, honesty, and openness • Promoting responsible stewardship of resources and public trust

Accessibility • Strategically growing learning opportunities • Minimizing financial, geographical, environmental, social, linguistic, and cultural barriers to learning

Sustainability • Integrating practices that support and improve the health of systems that sustain life



ANNUAL PLANNING

Institutional planning efforts represent college-wide strategic directions and priority actions needed to support and improve achievement of Lane's core theme objectives. Institutional plans both inform and are informed by Program and Department Plans. Program review and annual department planning support strategic directions and core theme objectives by operationalizing priorities and improvements at the program and service level. The table below identifies FY24 budget allocations (investments) from strategic planning, program review and department planning.

Table 10: FY23-24 Budget Allocations (Investment) from Strategic Planning, Program Review and Department Planning

FY 2023-2024 FUNDED NEEDS			
DEPARTMENT	REQUEST	COST	FUND
Human Resources	Mandatory ADA Purchases	10,000	General Fund
Academic Affairs Office	Accreditation fees: BAS program approval	10,000	General Fund
Academic Technology	Video Captioning	10,000	General Fund
Governance, Legal & Administration	Administrative operations	150,000	General Fund
Public Safety	Classified Unit Employee Overtime	31,000	General Fund
TOTAL INVESTMENTS		\$ 211,000	

Summary All Funds

2023-2024 Proposed Budget

FY 2020-21 ACTUAL	FY2021-22 ACTUAL	FY2022-23 BUDGET	Fund	FY 2023-24 PROPOSED	+ - Explanation of changes in budget of > 10%
80,901,416	84,043,930	95,807,043	General Fund I	95,704,931	
471,562	501,678	910,000	Internal Service Fund II	655,000	- Budgeted at current projection
23,466,791	89,085,074	20,553,667	Debt Service Fund III	26,591,733	+ PERS Bond Series 2022
5,040,807	7,026,616	121,241,225	Capital Projects Fund IV	112,083,650	
26,227,098	23,298,099	43,032,500	Financial Aid Fund V	41,387,500	
4,539,169	2,360,724	2,740,000	Enterprise Fund VI	2,086,154	- Budgeted at current projection
414,935	404,403	5,500,000	Early Retirement Fund VII	5,530,000	
20,715,582	29,721,935	20,000,000	Special Revenue Fund VIII	35,330,000	+ Budgeted for Health Care Village
8,882,038	11,262,823	18,247,663	Administratively Restricted Fund IX	18,700,357	
170,659,398	247,705,282	328,032,098	Total All Funds	338,069,325	

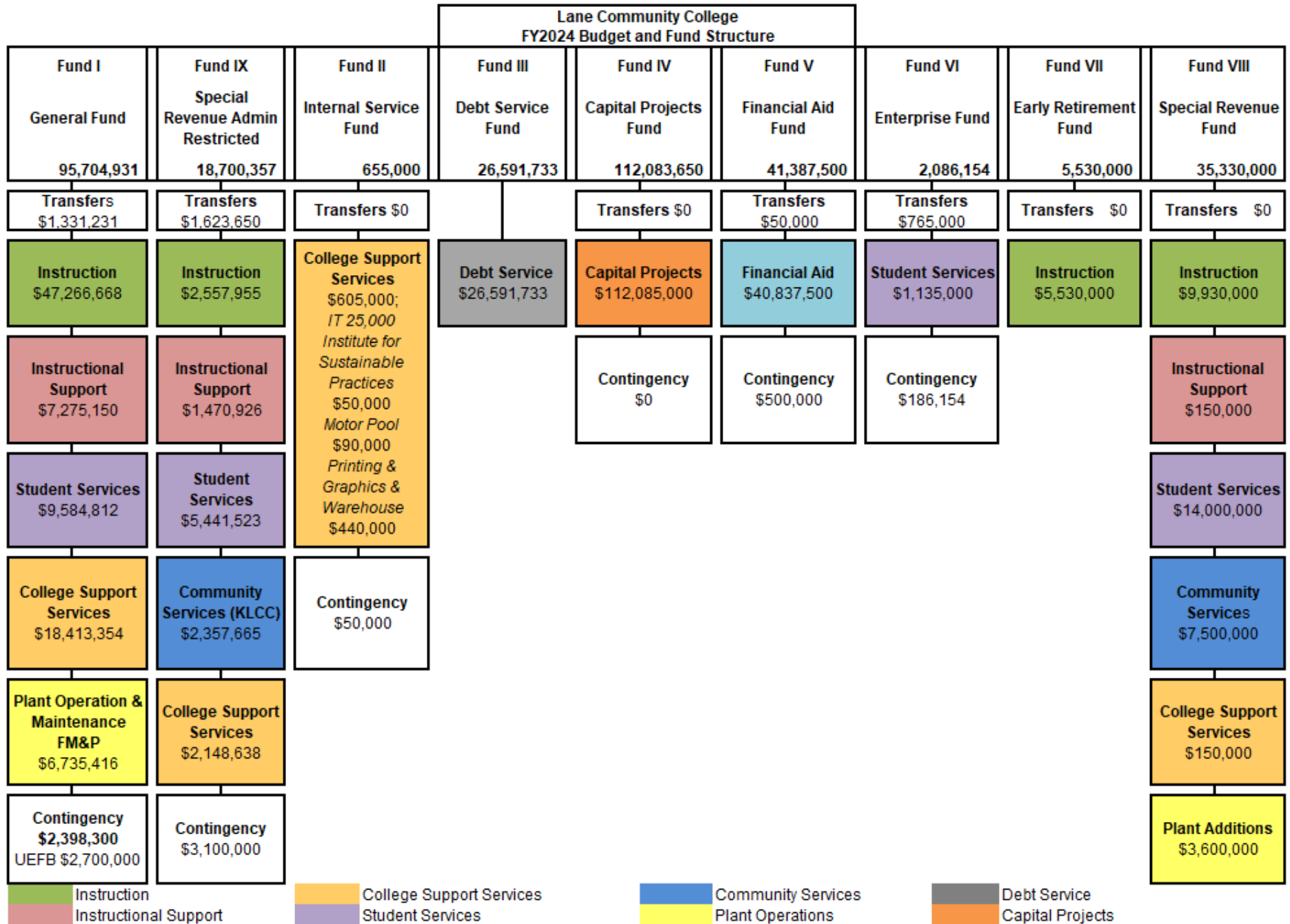
Consolidated Resources and Requirements – All Funds

2023-2024 Proposed Budget

FY 2020-21 ACTUAL	FY2021-22 ACTUAL	FY2022-23 BUDGET	Description of Resources and Requirements	FY 2023-24 PROPOSED
REVENUES				
34,459,230	40,345,659	44,655,000	State Support	53,470,000
42,216,100	42,184,727	39,870,000	Federal Support	40,400,000
11,623	16,416	600,000	Local Support	2,000,000
34,675,686	35,587,353	36,288,104	Property Taxes	39,026,000
25,062,341	20,703,453	24,465,000	Tuition	25,160,500
10,398,982	8,770,216	11,055,250	Student Fees	10,716,750
Other Sources:				
1,632,819	2,046,515	3,178,640	Sale of Goods and Services	2,744,481
157,270,050	85,676,943	71,418,886	Other Revenues	29,508,596
305,726,831	235,331,282	231,530,880	TOTAL REVENUES	203,026,327
REQUIREMENTS				
54,377,386	53,356,481	67,315,787	Instruction	65,284,623
7,016,252	8,413,265	8,906,160	Instructional Support	8,896,076
17,535,390	26,679,324	17,768,366	Student Services	30,161,335
8,590,016	8,367,249	7,427,271	Community Services	9,857,665
19,625,140	17,513,283	21,931,519	College Support Services	21,316,992
5,399,250	6,225,458	6,834,290	Plant Operations & Maintenance	6,835,416
5,463,169	9,475,895	52,080,000	Plant Additions	115,583,650
26,221,162	23,248,099	41,772,500	Financial Aid	40,837,500
23,466,791	89,085,074	20,553,667	Debt Services	26,591,733
-	-	75,721,225	Contingency	6,234,454
-	-	3,000,000	Unappropriated Ending Fund Balance (UEFB)	2,700,000
167,694,556	242,364,128	323,310,785	TOTAL REQUIREMENTS	334,299,444
SUMMARY				
305,726,831	235,331,282	231,530,880	Total Revenues	203,026,327
(167,694,556)	(242,364,128)	(323,310,785)	Less: Total Requirements	(334,299,444)
138,032,275	(7,032,846)	(91,779,905)	REVENUES OVER-(UNDER) REQUIREMENTS	(131,273,117)
OTHER FINANCING SOURCES				
2,964,837	5,341,065	4,721,313	Transfers In	3,769,881
(2,964,837)	(5,341,065)	(4,721,313)	Transfers Out	(3,769,881)
-	-	-	TOTAL OTHER FINANCING SOURCES	-
CHANGES IN FUND BALANCE				
19,339,593	157,371,864	91,779,905	Beginning Fund Balance	131,273,117
157,371,868	150,339,018	-	ENDING FUND BALANCE	-

Fund Structure Graph

2023-2024 Proposed Budget



Schedule of Interfund Transfers

2023-2024 Proposed Budget

Interfund transfers are authorized by ORS 294.361 and ORS 294.463 and represent transfers of resources between funds for repayment of costs incurred by one fund on behalf of another or represent transfers of equity between funds.

	Revenues	Expenditures	Comments
GENERAL FUND I			
To Debt Service Fund III	-	631,231	Qualified Energy Conservation Loan \$138,331; Titan Court \$492,900
To Capital Projects Fund IV	-	700,000	Major Maintenance
From Financial Aid Fund V	50,000	-	Financial Aid transfer
From Special Revenue-Administratively Restricted Fund IX	1,480,000	-	PERS Reserve and IP contribution to Titan Court debt payment
TOTAL	\$ 1,530,000	\$ 1,331,231	
DEBT SERVICE FUND III			
From General Fund I	169,031	-	Qualified Energy Conservation Loan \$138,331; Titan Court \$492,900
From Enterprise Fund VI	765,000	-	Full Faith and Credit Obligations
From Special Revenue-Administratively Restricted Fund IX	462,200	-	IP contribution to Titan Court debt payment
TOTAL	\$ 1,396,231	\$ -	
CAPITAL PROJECTS FUND IV			
From General Fund I	700,000	-	Major Maintenance
From Special Revenue-Administratively Restricted Fund IX	143,650	-	Transportation and Parking \$100,000; Longhouse \$43,650
TOTAL	\$ 843,650	\$ -	
FINANCIAL AID FUND V			
To General Fund	-	50,000	Financial Aid transfer
TOTAL	\$ -	\$ 50,000	
ENTERPRISE FUND VI			
To Debt Service Fund III	-	765,000	Full Faith and Credit Obligations
TOTAL	\$ -	\$ 765,000	
SPECIAL REVENUE-ADMINISTRATIVELY RESTRICTED FUND IX			
To General Fund I	-	1,480,000	PERS Reserve and IP contribution to Titan Court debt payment
To Capital Projects Fund IV	-	143,650	Transportation and Parking \$100,000; Longhouse \$43,650
TOTAL	\$ -	\$ 1,623,650	
TOTAL TRANSFERS - ALL FUNDS	\$ 3,769,881	\$ 3,769,881	

Table 11: Budgetary Statement of Resources, Uses in Fund Balance FY24 Proposed Budget

Category	General Fund	Admin Restricted	Capital Projects	Enterprise	Internal Service	Special Revenue	Financial Aid	Debt Service	Early Retirement Fund	Total
Revenues:										
Intergovernmental - State	28,700,000	-	-	-	-	18,000,000	6,770,000	-	-	53,470,000
Intergovernmental - Federal	-	-	-	-	-	11,000,000	29,400,000	-	-	40,400,000
Intergovernmental - Local	-	-	-	-	-	2,000,000	-	-	-	2,000,000
Intergovernmental - Property Taxes	25,123,000	-	-	-	-	-	-	13,903,000	-	39,026,000
Tuition & Fees	27,117,250	8,660,000	-	-	-	100,000	-	-	-	35,877,250
Other Sources:										
Sale of Goods and Services	840,541	1,408,940	-	-	465,000	30,000	-	-	-	2,744,481
Other Revenues	4,559,690	3,476,404	50,000	1,900,000	90,000	3,900,000	4,450,000	11,042,502	40,000	29,508,596
Total Revenues	86,340,481	13,545,344	50,000	1,900,000	555,000	35,030,000	40,620,000	24,945,502	40,000	203,026,327
Expenditures:										
Instruction	47,266,668	2,557,955	-	-	-	9,930,000	-	-	5,530,000	65,284,623
Instructional Support	7,275,150	1,470,926	-	-	-	150,000	-	-	-	8,896,076
Student Services	9,584,812	5,441,523	-	1,135,000	-	14,000,000	-	-	-	30,161,335
Community Services	-	2,357,665	-	-	-	7,500,000	-	-	-	9,857,665
College Support Services	18,413,354	2,148,638	-	-	605,000	150,000	-	-	-	21,316,992
Plant Operations & Maintenance	6,735,416	-	-	-	-	100,000	-	-	-	6,835,416
Plant Additions	-	-	112,085,000	-	-	3,500,000	-	-	-	115,585,000
Financial Aid	-	-	-	-	-	-	40,837,500	-	-	40,837,500
Debt Services	-	-	-	-	-	-	-	26,591,733	-	26,591,733
Total Expenditures	89,275,400	13,976,707	112,085,000	1,135,000	605,000	35,330,000	40,837,500	26,591,733	5,530,000	325,366,340
Revenues Over-(Under) Expenditures	(2,934,919)	(431,363)	(112,035,000)	765,000	(50,000)	(300,000)	(217,500)	(1,646,231)	(5,490,000)	(122,340,013)
Continued										

Change in Fund Balance

2023-2024 Proposed Budget

Change in Fund Balance

Category	General Fund	Admin Restricted	Capital Projects	Enterprise	Internal Service	Special Revenue	Financial Aid	Debt Service	Early Retirement Fund	Total
Contingency										
BP270: Board Contingency*	483,000	-	-	-	-	-	-	-	-	483,000
BP270: Administrative Contingency*	965,300	-	-	-	-	-	-	-	-	965,300
Reserve for restricted carry over/adjustment	750,000	-	-	-	-	-	-	-	-	750,000
Operating contingency	200,000	3,100,000	-	186,154	50,000	-	500,000	-	-	4,036,154
Total Contingency	2,398,300	3,100,000	-	186,154	50,000	-	500,000	-	-	6,234,454
Other Financing Sources-(Uses)										
Transfers in/(out)	198,769	(1,623,650)	845,000	(765,000)	-	-	(50,000)	1,396,231	-	1,350
Changes in fund balance	(5,134,450)	(5,155,013)	(111,190,000)	(186,154)	(100,000)	(300,000)	(767,500)	(250,000)	(5,490,000)	(128,573,117)
Beginning Fund Balance	7,834,450	5,155,013	111,190,000	186,154	100,000	300,000	767,500	250,000	5,490,000	131,273,117
Total resources/(uses)	2,700,000	-	-	-	-	-	-	-	-	2,700,000
Transfers to/(From) Fund Balance										
BP295: Unappropriated Ending Fund Balance*	(2,700,000)									(2,700,000)
Ending Fund Balance	-	-	-	-	-	-	-	-	-	-

* BP (Board policies) can be found in Appendix B: Financial Policies.

What is Fund Balance?

Fund balance is generally defined as the difference between a fund's assets and liabilities. An adequate fund balance is necessary for numerous reasons, such as to have funds available in case of emergency or unexpected events, to maintain or enhance the College's financial position and related bond ratings, to provide cash for operations prior to receipt of fall term tuitions and fees and receipt of property tax revenues.

Table 12: FY23-FY24 Estimated Beginning and Ending Fund Balance

Fund Description	July 1, 2023	June 30, 2024	Dollar Change	Percent Change	Explanation of changes in fund balances > 10%
General Fund I	7,834,450	3,435,560	(4,398,890)	-128%	Projected deficit due to reduction in state funding
Administratively Restricted Fund IX	5,155,013	4,630,076	(524,937)	-10%	Projected deficit due to reduction in state funding
Capital Projects Fund IV**	111,190,000	51,190,000	(60,000,000)	-54%	FY24 estimated Bond 2020 spending; major maintenance.
Enterprise Fund VI	186,154	186,154	-	0%	
Internal Service Fund II	100,000	100,000	-	0%	
Special Revenue Fund VIII	300,000	300,000	-	0%	
Financial Aid Fund V	767,500	717,500	(50,000)	-7%	
Debt Service Fund III	250,000	250,000	-	0%	
Early Retirement Fund VII	5,490,000	4,990,000	(500,000)	-9%	
	131,273,117	65,799,290	(65,473,827)	-49.9%	

*Estimated Fund Balances

*Per ORS 294, the College must budget all capital bond financing proceeds. The Capital Projects Fund VI row only includes planned expenditures for the fiscal year. The remaining bond fund balance is reflected as a contingency.



GENERAL FUND I

ADMINISTRATIVELY RESTRICTED FUND IX

General Fund I Resources

2023-2024 Proposed Budget

The general fund (Fund I) accounts for all resources traditionally associated with operating the College which are not required legally or by sound financial managements to be accounted for in another fund.

FY 2020-21 ACTUAL	FY 2021-22 ACTUAL	FY 2022-23 BUDGET	Description of Resources and Requirements	FY 2023-24 PROPOSED	+	-	Explanation of changes in budget of > 10%
RESOURCES							
2,779,418	7,910,991	7,810,000	Beginning Fund Balance	7,834,450			
4,804,881	4,087,387	670,000	Federal Support	-	-		Budgeted at current projection
25,961,645	28,707,387	29,700,000	State Support	28,700,000			
22,335,068	23,029,149	23,715,000	Property Taxes	25,123,000			
			Tuition & Fees:				
22,989,835	18,871,513	22,445,000	Tuition	23,115,000			
4,357,514	3,354,179	4,282,650	Student Fees	4,002,250			
			Other Sources:				
893,644	911,433	1,042,800	Sale of Goods and Services	840,541	-		Budgeted at current projection
1,997,537	1,376,583	1,485,000	Administrative Recovery	1,285,000	-		Budgeted at current projection
1,294,081	2,251,217	788,593	Other Fees & Charges	1,209,340	+		Adj. to reflect current activity
532,848	381,753	1,388,000	Other Revenue	2,065,350	+		Adj. to reflect current activity
85,167,053	82,970,603	85,517,043	Total Revenues	86,340,481			
Transfers In:							
-	300,000	-	Transfer In Capital Projects Fund IV	-			
5,936	50,000	50,000	Transfer In Financial Aid Fund V	50,000			
860,000	905,797	2,430,000	Transfer In Administratively Restricted IX	1,480,000	-		Budgeted at current projection
865,936	1,255,797	2,480,000	Total Transfers In	1,530,000			
88,812,407	92,137,391	95,807,043	TOTAL RESOURCES	95,704,931			

General Fund I Requirements by Program

2023-2024 Proposed Budget

FY 2020-21 ACTUAL	FY 2021-22 ACTUAL	FY 2022-23 BUDGET	Description of Resources and Requirements	FTE	FY 2023-24 PROPOSED	+	Explanation of changes in budget of > 10%
			REQUIREMENTS			-	
			Instruction				
425,004		379,510	Academic Learning Skills			-	- See College and Career Foundations
784,098	754,017	975,245	Academic Technology		849,274	-	- Vacancies
1,095,379		1,300,805	Adult Basic & Secondary Education			-	- See College and Career Foundations
2,230,043	2,385,185	2,355,870	Advanced Technologies		2,507,548		
8,365,082	8,561,573	8,816,906	Arts & Humanities		9,135,651		
2,545,972	2,795,078	2,726,793	Business & Computer Information Technology		2,787,861		
358,515	393,996	659,587	Career Pathways		799,180	+	+ Additional faculty positions
	2,673,447	2,938,971	College & Career Foundations		3,097,864		
751,412	759,197	813,831	Cooperative Education		896,509	+	+ Increased labor costs
494,581	478,848	150,680	Culinary Arts, Hotel/Restaurant/Tourism		-	-	- See Career Pathways
-	-	151,731	Curriculum & Assessment		-	-	- Vacancies
1,253,755		1,258,656	English as a Second Language			-	- See College and Career Foundations
881,357	748,399	733,651	Extended Learning		604,407	-	
569,378	636,029	758,342	Flight Technology		881,662	+	+ Accounting Change
1,320,901	1,191,645	1,201,346	Health & Physical Education		1,373,306	+	+ Budgeted at current projection
8,657,034	9,859,647	9,709,188	Health Professions		10,526,766		
89,779	7,584	11,300	Lane Community College at Cottage Grove		11,078		
419,569	464,258	465,958	Lane Community College at Florence		471,863		
15,679	-	-	Information Technology		-		
2,721,939		2,905,619	Mathematics		-	-	- See Science, Mathematics, & Engineering
(83,905)	(139)	1,036,000	Non-Departmental		745,200	-	- Accounting Change
4,616,495		4,827,700	Science		-	-	- See Science, Mathematics, & Engineering
	7,520,173	7,733,319	Science, Mathematics, & Engineering		8,196,606		
3,551,656	3,509,265	3,881,557	Social Science		4,000,104		
165,389	140,092	175,000	Special Instructional Projects		172,500		
365,413	320,181	221,497	Student Success		209,289		
41,594,524	43,198,475	45,516,772	Total Instruction	389.6	47,266,668		

Continued

General Fund I Requirements by Program

2023-2024 Proposed Budget

FY 2020-21 ACTUAL	FY 2021-22 ACTUAL	FY 2022-23 BUDGET	Description of Resources and Requirements	FTE	FY 2023-24 PROPOSED	+	Explanation of changes in budget of > 10%
			Instructional Support				
1,200,163	1,268,651	1,214,269	Academic & Student Affairs Office		1,491,334	+	Increased labor costs
2,244,864	2,386,122	2,611,414	Academic Technology		2,508,549		
	2,332		College & Career Foundations		-		
768,146	1,006,822	1,104,477	Curriculum & Assessment		1,213,087		
230,624	360,676	436,865	Faculty Professional Development		489,100	+	Budgeted at current projection
126,670	164,761	51,680	Grant Coordination		50,490		
502,664	569,286	610,986	High School Connections		571,684		
391,485	488,802	482,159	Information Technology		321,192	-	Vacancies
(40,511)	186		- Non-Departmental		-		
676	-		- Planning & Institutional Effectiveness		-		
310,018	478,322	778,092	Special Instructional Projects		629,714	-	Vacancies
5,734,800	6,725,960	7,289,942	Total Instructional Support	49.7	7,275,150		
			Student Services				
805,697	1,136,950	846,144	Athletics		916,396		
1,092,021	1,078,889	1,388,582	Center for Accessible Resources		1,106,132	-	Vacancies
42,571	6,630	16,039	Child and Family Education		15,846		
	46,869		College & Career Foundations		1,000		
11,615	-		- Conference & Culinary Services		-		
49,728		1,000	English as a Second Language		-	-	See College & Career Foundations
1,454,647	1,491,825	1,434,373	Financial Aid		1,250,039	-	Vacancies
173,928	217,540	266,840	Gender Equity Center		279,516		
-	173,127	166,000	Human Resources		161,751		
601,372	516,823	373,962	Mental Health & Title IX		620,515	+	Additional positions
626,009	723,928	699,371	Multicultural Center		804,137	+	Increased labor costs
77,741	308		- Non-Departmental		-		
14,963	72,589	56,000	Rites of Passage		54,900		
1,404,131	1,507,985	1,828,229	Student Enrollment/Registrar		1,621,659	-	Vacancies
421,953	456,215	573,286	Student Engagement		405,810	-	Vacancies
213,675	176,286	218,204	Student Standards		53,471	-	Vacancies
2,137,313	2,188,443	2,550,621	Student Success		2,293,640	-	Vacancies
9,127,364	9,794,407	10,418,651	Total Student Services	91.1	9,584,812		

General Fund I Requirements by Program

2023-2024 Proposed Budget

FY 2020-21 ACTUAL	FY 2021-22 ACTUAL	FY 2022-23 BUDGET	Description of Resources and Requirements	FTE	FY 2023-24 PROPOSED	+	-	Explanation of changes in budget of > 10%
College Support Services								
334,755	380,757	370,212	Access, Equity and Inclusion		239,793	-		Vacancies
18,207	12,265	32,500	Archives & Records Management		32,010			
4,941	27,347	31,000	Board of Education		30,392			
1,410,370	1,935,903	1,796,833	College Finance		1,821,174			
887,571	775,694	1,016,013	College Services		853,152	-		M&S budget reduction
215,224	530,221	206,500	Governance & Administration		367,000	+		Budgeted at current projection
-	85	950	Health & PE		-	-		M&S budget reduction
1,531,589	1,688,691	1,927,733	Human Resources		2,015,048			
4,279,329	4,555,479	4,702,821	Information Technology		4,355,155			
213,051	236,778	310,229	Institute for Sustainable Practices		329,829			
720,729	820,491	950,000	Insurance - Property & Liability		1,016,180			
772,097	920,579	915,980	Lane Community College Foundation		940,461			
132,867	164,619	180,216	Mail Services		188,401			
1,599,683	1,580,060	1,368,369	Marketing & Public Relations		1,137,661	-		M&S budget reduction
5,564,343	5,949,269	1,526,413	Non-Departmental		1,261,500	-		Budgeted at current projection
(3,562,949)	(7,884,069)	-	Other Personnel Expenditures		-			
765,916	651,769	548,880	Planning & Institutional Effectiveness		195,185	-		Budgeted at current projection
1,106,555	1,205,059	1,073,793	President's Office		1,412,769	+		Forward Lane
25,176	36,459	100,000	Professional & Organizational Development		100,000			
1,364,643	1,345,788	1,442,481	Public Safety		1,485,200			
			Student Enrollment / Registrar		256,822			
421,825	365,405	345,152	Telephone Services		375,622			
17,805,923	15,298,649	18,846,075	Total College Support Services	111.7	18,413,354			
Plant Operations & Maintenance								
5,399,250	6,225,458	6,834,290	Facilities Management & Planning		6,735,416			
5,399,250	6,225,458	6,834,290	Total Plant Operations & Maintenance	46.1	6,735,416			
Contingency								
-	-	2,540,000	Projects/Provisions		2,398,300			
-	-	2,540,000	Total Contingency		2,398,300			

General Fund I Requirements by Program

2023-2024 Proposed Budget

FY 2020-21 ACTUAL	FY2021-22 ACTUAL	FY 2022-23 BUDGET	Description of Resources and Requirements	FY 2023-24 PROPOSED	+	Explanation of changes in budget of > 10%
			Transfers Out:		-	
689,554	689,964	661,313	To Debt Service III	631,231		
550,000	700,000	700,000	To Capital Projects Fund IV	700,000		
-	1,411,017	-	To Administratively Restricted Fund IX	-		
1,239,554	2,800,981	1,361,313	Total Transfers Out	1,331,231		
			UEFB			
-	-	3,000,000	Unappropriated Ending Fund Balance	2,700,000		
-	-	3,000,000	Total UEFB	2,700,000		
80,901,416	84,043,930	95,807,043	TOTAL REQUIREMENTS	95,704,931		
			SUMMARY			
88,812,407	92,137,391	95,807,043	Total Resources	95,704,931		
(80,901,416)	(84,043,930)	(95,807,043)	Less: Total Requirements	(95,704,931)		
7,910,991	8,093,461	-	RESOURCES OVER-(UNDER) EXPENDITURES	-		
7,910,991	8,093,461	-	ENDING FUND BALANCE	-		

General Fund I Requirements by Expense Category

2023-2024 Proposed Budget

	FY 2023-24 PROPOSED	Personnel Services	Materials & Services	Capital Outlay	Transfers Out	Debt Service	Contingency
Instruction							
Academic Technology	849,274	842,774	6,500	-	-	-	-
Advanced Technologies	2,507,548	2,223,108	284,440	-	-	-	-
Art & Humanities	9,135,651	8,699,591	436,060	-	-	-	-
Business & Computer Information Technology	2,787,861	2,699,725	88,136	-	-	-	-
Career Pathways	799,180	760,715	38,465	-	-	-	-
College & Career Foundations	3,097,864	3,005,589	92,275	-	-	-	-
Cooperative Education	896,509	882,784	13,725	-	-	-	-
Extended Learning	604,407	566,500	37,907	-	-	-	-
Flight Technology	881,662	779,812	101,850	-	-	-	-
Health & Physical Education	1,373,306	1,106,126	267,180	-	-	-	-
Health Professions	10,526,766	9,008,490	1,518,276	-	-	-	-
Lane Community College at Cottage Grove	11,078	-	11,078	-	-	-	-
Lane Community College at Florence	471,863	454,216	17,647	-	-	-	-
Non-Departmental	745,200	745,200	-	-	-	-	-
Science, Mathematics & Engineering	8,196,606	7,924,241	169,915	102,450	-	-	-
Social Science	4,000,104	3,950,544	49,560	-	-	-	-
Special Instructional Projects	172,500	172,500	-	-	-	-	-
Student Success	209,289	209,289	-	-	-	-	-
Total Instruction	47,266,668	44,031,204	3,133,014	102,450	-	-	-

Continued

General Fund I Requirements by Expense Category

2023-2024 Proposed Budget

	FY 2023-24 PROPOSED	Personnel Services	Materials & Services	Capital Outlay	Transfers Out	Debt Service	Contingency
Instructional Support							
Academic & Student Affairs Office	1,491,334	1,405,732	85,602	-	-	-	-
Academic Technology	2,508,549	2,239,499	169,950	99,100	-	-	-
Curriculum & Assessment	1,213,087	1,163,480	49,607	-	-	-	-
Faculty Professional Development	489,100	-	489,100	-	-	-	-
Grant Coordination	50,490	-	50,490	-	-	-	-
High School Connections	571,684	552,567	19,117	-	-	-	-
Information Technology	321,192	321,192	-	-	-	-	-
Special Instructional Projects	629,714	403,714	226,000	-	-	-	-
Total Instructional Support	7,275,150	6,086,184	1,089,866	99,100	-	-	-
Student Services							
Athletics	916,396	665,318	251,078	-	-	-	-
Center for Accessible Resources	1,106,132	881,232	224,900	-	-	-	-
Child & Family Education	15,846	15,846	-	-	-	-	-
College & Career Foundations	1,000	-	1,000	-	-	-	-
Financial Aid	1,250,039	1,212,098	37,941	-	-	-	-
Gender Equity Center	279,516	274,654	4,862	-	-	-	-
Human Resources	161,751	159,751	2,000	-	-	-	-
Mental Health & Title IX	620,515	591,985	28,530	-	-	-	-
Multicultural Center	804,137	799,274	4,863	-	-	-	-
Rites of Passage	54,900	-	54,900	-	-	-	-
Student Engagement	405,810	342,722	63,088	-	-	-	-
Student Enrollment/Registrar	1,621,659	1,570,287	51,372	-	-	-	-
Student Standards	53,471	51,657	1,814	-	-	-	-
Student Success	2,293,640	2,243,994	49,646	-	-	-	-
Total Student Services	9,584,812	8,808,818	775,994	-	-	-	-

Continued

General Fund I Requirements by Expense Category

2023-2024 Proposed Budget

	FY 2023-24 PROPOSED	Personnel Services	Materials & Services	Capital Outlay	Transfers Out	Debt Service	Contingency
College Support Services							
Access, Equity and Inclusion	239,793	206,793	33,000	-	-	-	-
Archives & Records Management	32,010	27,600	4,410	-	-	-	-
Board of Education	30,392	-	30,392	-	-	-	-
College Finance	1,959,505	1,483,680	337,494	-	138,331	-	-
College Services	853,152	788,764	64,388	-	-	-	-
Governance Legal & Administration	367,000	-	367,000	-	-	-	-
Human Resources	2,015,048	1,795,638	219,410	-	-	-	-
Information Technology	4,355,155	2,884,275	1,470,880	-	-	-	-
Institute for Sustainable Practices	329,829	208,529	121,300	-	-	-	-
Insurance - Property & Liability	1,016,180	-	1,016,180	-	-	-	-
Lane Community College Foundation	940,461	940,461	-	-	-	-	-
Mail Services	188,401	148,696	39,705	-	-	-	-
Marketing & Public Relations	1,137,661	499,621	638,040	-	-	-	-
Non-Departmental	1,261,500	1,000,500	150,000	111,000	-	-	-
Planning & Institutional Effectiveness	195,185	173,298	21,887	-	-	-	-
President's Office	1,412,769	1,056,449	356,320	-	-	-	-
Professional & Organizational Development	100,000	-	100,000	-	-	-	-
Public Safety	1,485,200	1,362,970	122,230	-	-	-	-
Student Enrollment / Registrar	256,822	256,822	-	-	-	-	-
Telephone Services	375,622	178,622	197,000	-	-	-	-
Total College Support Services	18,551,685	13,012,718	5,289,636	111,000	138,331	-	-
Plant Operations & Maintenance							
Facilities Management & Planning	7,435,416	4,095,266	2,640,150	-	700,000	-	-
Total Plant Operations & Maintenance	7,435,416	4,095,266	2,640,150	-	700,000	-	-
Debt Service							
College Finance	492,900	-	-	-	492,900	-	-
Total Debt Service	492,900	-	-	-	492,900	-	-
Contingency							
Non-Departmental	2,398,300	-	-	-	-	-	2,398,300
Unappropriated Ending Fund Balance (UEFB)	2,700,000	-	-	-	-	-	2,700,000
Total Contingency	5,098,300	-	-	-	-	-	5,098,300
Total General Fund Requirements	95,704,931	76,034,190	12,928,660	312,550	1,331,231	-	5,098,300

Administratively Restricted Fund IX Resources

2023-2024 Proposed Budget

The administratively restricted fund (Fund IX) accounts for specific programs where funds are administratively restricted. Activities recorded in this fund generate revenue primarily though specifically assessed tuition and fees or through other revenue-generated activities.

FY 2020-21 ACTUAL	FY 2021-22 ACTUAL	FY 2022-23 BUDGET	Description of Resources and Requirements	FY 2023-24 PROPOSED	+	Explanation of changes in budget of > 10%
			RESOURCES			
3,974,191	3,617,147	5,511,180	Beginning Fund Balance	5,155,013		
817	479,247	-	Federal Support	-		
			Tuition & Fees:			
170,268	1,831,940	1,945,000	Tuition	2,045,500		
5,721,678	5,321,596	6,772,600	Student Fees	6,614,500		
1,501,155	1,711,299	2,218,043	Other Fees & Charges	2,189,404		
708,328	1,131,334	1,435,840	Sale of Goods and Services	1,408,940		
422,748	150,261	365,000	Other Revenue	1,287,000		+ Accounting change
8,524,994	10,625,677	12,736,483	Total Revenues	13,545,344		
			Transfers In:			
-	1,411,017	-	- Transfer In General Fund I	-		
-	500,000	-	- Transfer In Enterprise Fund	-		
-	1,911,017	-	Total Transfers In	-		
12,499,185	16,153,841	18,247,663	TOTAL RESOURCES	18,700,357		

Administratively Restricted Fund IX Requirements
2023-2024 Proposed Budget

FY 2020-21 ACTUAL	FY 2021-22 ACTUAL	FY 2022-23 BUDGET	Description of Resources and Requirements	FTE	FY 2023-24 PROPOSED	+	-	Explanation of changes in budget of > 10%
REQUIREMENTS								
Instruction								
-	17,467	104,495	Academic Technology		103,236			
54,717	184,758	170,000	Energy Management Program		168,400			
279,598	109,624	379,000	Extended Learning		229,000	-		Budgeted at current projection
1,040,570	981,126	1,167,000	Flight Technology		1,144,500			
-	153,032	150,680	International Programs		164,794			
627,481	657,698	759,840	Specialized Support Services		733,025			
1,044	3,043	15,000	Student Restaurant		15,000			
71,583	65,412	-	Technology Fee		-			
2,074,994	2,172,159	2,746,015	Total Instruction	21.2	2,557,955			
Instructional Support								
675,627	1,343,389	1,125,162	Academic Technology		1,143,064			
445,514	203,862	341,056	Technology Fee		327,862			
1,121,140	1,547,251	1,466,218	Total Instructional Support	15.4	1,470,926			
Student Services								
514,418	551,184	782,970	Child Development Center		733,221			
751,321	760,421	930,787	Health Clinic*		927,048			
13,065	38,313	68,900	Multicultural Center		234,600	+		Budgeted at current projections
-	1,658,071	2,224,293	International Programs		3,177,204	+		Accounting change
322,319	121,857	326,715	Student Engagement		309,650			
17,644	23,405	19,400	Student Productions Association		23,350	+		Budgeted at current projections
8,311	12,296	-	Technology Fee		-			
43,029	12,731	44,650	The Torch		36,450	-		Budgeted at current projections
1,670,107	3,178,279	4,397,715	Total Student Services	30.1	5,441,523			

*The College will move to a blended model of periodic public health presence on campus and telehealth options to meet students needs in FY2024

Continued

Administratively Restricted Fund IX Requirements

2023-2024 Proposed Budget

FY 2020-21 ACTUAL	FY 2021-22 ACTUAL	FY 2022-23 BUDGET	Description of Resources and Requirements	FTE	FY 2023-24 PROPOSED	+	-	Explanation of changes in budget of > 10%
			Community Services					
1,767,302	1,736,217	2,427,271	KLCC FM Operations		2,357,665			
1,767,302	1,736,217	2,427,271	Total Community Services	15.5	2,357,665			
			College Support Services					
1,233,290	1,411,376	1,866,844	Technology Fee		1,880,038			
95,856	162,456	268,600	Transportation		268,600			
1,329,146	1,573,832	2,135,444	Total College Support Services	1.9	2,148,638			
			Transfers Out:					
860,000	905,797	2,430,000	To General Fund I		1,480,000			- FY24 Transfer Schedule
16,848	27,287	-	To Debt Service III		-			
42,500	122,000	145,000	To Capital Projects Fund IV		143,650			
919,348	1,055,084	2,575,000	Total Transfers Out		1,623,650			
			Contingency					
-	-	2,500,000	Non-Departmental		3,100,000			+ Budgeted at current projection
-	-	2,500,000	Total Contingency		3,100,000			
8,882,038	11,262,823	18,247,663	TOTAL REQUIREMENTS		18,700,357			
			SUMMARY					
12,499,185	16,153,841	18,247,663	Total Resources		18,700,357			
(8,882,038)	(11,262,823)	(18,247,663)	Less: Total Requirements		(18,700,357)			
3,617,147	4,891,018	-	RESOURCES OVER-(UNDER) EXPENDITURES		-			
3,617,147	4,891,018	-	ENDING FUND BALANCE		-			

Administratively Restricted Fund IX Requirements by Expense Category
2023-2024 Proposed Budget

	FY 2023-24 PROPOSED	Personnel Services	Materials & Services	Capital Outlay	Transfers Out	Debt Service	Contingency
Instruction							
Academic Technology	103,236	103,236	-	-	-	-	-
Career Pathways	15,000		15,000				
College & Career Foundations		698,025	35,000				
Lane Community College at Cottage Grove	20,000	-	20,000	-	-	-	-
Extended Learning	150,000	-	150,000	-	-	-	-
Flight Technology	1,144,500	742,636	401,864	-	-	-	-
Lane Community College at Florence	59,000	31,740	27,260	-	-	-	-
International Programs	164,794	164,794	-	-	-	-	-
Non-Departmental	-	-	-	-	-	-	-
Science	168,400	110,400	58,000	-	-	-	-
Total Instruction	2,557,955	1,850,831	707,124	-	-	-	-
Instructional Support							
Academic Technology	1,445,471	1,094,096	181,375	-	170,000	-	-
Information Technology	195,455	195,455	-	-	-	-	-
Total Instructional Support	1,640,926	1,289,551	181,375	-	170,000	-	-
Student Services							
Child & Family Education	733,221	703,221	30,000	-	-	-	-
Gender Equity Center	36,700	-	36,700				
Health Clinic*	927,048	832,548	94,500	-	-	-	-
Institute for Sustainable Practices	45,750	44,515	1,235	-	-	-	-
International Programs	3,627,204	1,296,224	1,880,980	-	450,000	-	-
Multicultural Center	241,550	-	197,900	-	43,650	-	-
Performing Arts	23,350	-	23,350	-	-	-	-
Student Engagement	263,900	45,574	218,326	-	-	-	-
The Torch	36,450	-	36,450	-	-	-	-
Total Student Services	5,935,173	2,922,082	2,519,441	-	493,650	-	-
Community Services							
KLCC FM	2,357,665	1,446,765	830,900	80,000	-	-	-
Total Community Services	2,357,665	1,446,765	830,900	80,000	-	-	-

*The College will move to a blended model of periodic public health presence on campus and telehealth options to meet students needs in FY2024

Continued

Administratively Restricted Fund IX Requirements by Expense Category
2023-2024 Proposed Budget

	FY 2023-24 PROPOSED	Personnel Services	Materials & Services	Capital Outlay	Transfers Out	Debt Service	Contingency
College Support Services							
Information Technology	1,880,038	267,532	1,612,506	-	-	-	-
Institute for Sustainable Practices	1,000	-	1,000	-	-	-	-
Non-Departmental	1,227,600	-	267,600	-	960,000	-	-
Total College Support Services	3,108,638	267,532	1,881,106	-	960,000	-	-
Contingency							
Non-Departmental	3,100,000	-	3,100,000	-	-	-	-
Total Contingency	3,100,000	-	3,100,000	-	-	-	-
Total Fund IX Requirements	18,700,357	7,776,761	9,219,946	80,000	1,623,650	-	-



DEBT FUND III

AND

CAPITAL FUND IV

Debt Fund III

2023-2024 Proposed Budget

The debt service fund (Fund III) accounts for the funds collected to pay the debt service requirements on bonds, debt obligations, pension bonds payable and notes payable.

FY 2020-21 ACTUAL	FY2021-22 ACTUAL	FY2022-23 BUDGET	Description of Resources and Requirements	FY 2023-24 PROPOSED	+	-	Explanation of changes in budget of > 10%
RESOURCES							
4,536,036	628,952	350,000	Beginning Fund Balance	250,000	-		Budgeted at current projection
12,340,618	12,558,204	12,573,104	Property Taxes	13,903,000	+		Budgeted at current projection
5,712,687	75,258,160	6,234,250	Other Revenue - PERS Bond	11,042,502	+		PERS Bond Series 2022
18,053,305	87,816,364	18,807,354	Total Revenues	24,945,502			
Transfers In							
689,554	689,964	661,313	Transfer In General Fund I	169,031	-		FY24 Transfer Schedule
800,000	635,000	735,000	Transfer In Enterprise Fund VI	765,000			
16,848	27,287	-	Transfer In Administratively Restricted IX	462,200			
1,506,401	1,352,251	1,396,313	Total Transfers In	1,396,231			
24,095,743	89,797,568	20,553,667	TOTAL RESOURCES	26,591,733			
REQUIREMENTS							
23,466,791	89,085,074	20,553,667	Debt Service	26,591,733	+		Budgeted at current projection
23,466,791	89,085,074	20,553,667	TOTAL REQUIREMENTS	26,591,733			
SUMMARY							
24,095,743	89,797,568	20,553,667	Total Resources	26,591,733			
(23,466,791)	(89,085,074)	(20,553,667)	Less: Total Requirements	(26,591,733)			
628,952	712,494	-	RESOURCES OVER-(UNDER) EXPENDITURES	-			
628,952	712,494	-	ENDING FUND BALANCE	-			

Obligation to Pay

Debt incurred by a community college district becomes the obligation of such community college district to pay. In the case that a community college district no longer has students and no longer provides educational services, it is still required to levy and collect property taxes, up to its operating tax rate limit. Article XI, Section 11b (often called “Measure 5”) limits Educational Taxes to \$5 per \$1,000 of the Taxable Real Market Value of a property.

Debt Limitation

General Obligation Bonds. Oregon Revised Statute (ORS) 341.675 establishes a parameter of general obligation bonded indebtedness for community college districts. Community colleges may issue an aggregate principal amount up to 1.5% of Real Market Value (RMV) of all taxable properties within the district if the District’s voters approve the general obligation bonds. General obligation bonds are secured by the power to levy an additional tax outside the limitations of Article XI, Sections 11 and 11b.

LCC General Obligation Debt Capacity

Measure 5 Real Market Value (Fiscal Year 2022)	\$77,009,875,845	(1)
Dept Capacity		
General Obligation Dept Capacity (1.5% of RMV)	1,155,148,138	
Less: Outstanding Dept Subject to Limit	136,225,000	(2)
Remaining General Obligation Dept Capacity	1,018,923,138	
Percent of Capacity Issued	11.79%	

(1) The District’s fiscal Year commences July 1 and ends June 30 of the following year (the “Fiscal Year”). *Source: Lane, Linn, Benton and Douglas Counties Department of Assessment and Taxation.*

(2) Represents voter-approved, unlimited-tax general obligations of the District. *Source: Lane Community College Audited Financial Reports for the Fiscal Year Ended June, 30, 2021.*

Full Faith and Credit Obligations/Limited Tax Obligations. Community colleges may pledge their full faith and credit for “limited tax bonded indebtedness” or “full faith and credit obligations” in addition to pledging the full faith and credit for voter approved general obligation bonds. The Oregon Constitution and statutes do not limit the amount of limited tax bonded indebtedness that a community college may issue. Full faith and credit obligations can take the form of certificates of participation, notes or capital leases. Collection of property taxes to pay principal and interest on such limited-tax debt is subject to limitations of Article XI, Sections 11 and 11b.

Pension Bonds. ORS 238.694 authorizes community colleges to issue full faith and credit obligations to pay pension liabilities without limitations as to principal amount. Pension bonds are not general obligation as defined under State law and the District is not authorized to levy additional taxes to make pension bond payments.

Revenue Bonds. The district may issue revenue bonds for any public purpose, which are secured by revenues pursuant to ORS 287A.150. Subject to any applicable limitations imposed by the Oregon Constitution or laws of the state or resolution of an individual community college, ORS 287A.180 provides that the District may borrow money in anticipation of tax revenues or other monies and provide interim financing.

Long-term Debt

Qualified Energy Conservation Bonds

In October 2012, the College issued \$1,500,000 of Qualified Energy Conservation Bonds to finance capital costs for energy conservation measures. The bonds are due annually and interest is payable semi-annually, on June 15 and December 15, with interest at 4.62% per annum. The bonds qualify for interest subsidy payments from the U.S. Treasury for up to 70% of the interest payments on the bonds. This note will be fully paid in 2027.

Qualified Energy Conservation Bonds	Principal	Interest	Total
2023-2024	115,000	23,331	138,331
2024-2027	390,000	36,498	426,498
Total Qualified Energy Conservation Bonds	505,000	59,829	564,829

General Obligation Bonds

On November 4, 2008, voters approved authority for the College to issue \$83 million in general obligation bonds to be used to renovate outdated infrastructure and instructional technology. In June 2009, the College issued Series 2009 General Obligation Bonds in the original amount of \$45 million and in August 2012, the College issued \$38 million in Series 2012 General Obligation Bonds.

These general obligation bonds were issued to finance the costs of capital construction and improvements to College facilities, and to pay the costs of issuance of the Bonds. The bonds will be retired from property taxes levied by the College. The Bonds are due annually and interest is payable semi-annually, on June 15 and December 15, with interest rates ranging from 3.0% to 5.0% on the Series 2012 Bonds. In June 2016, the College issued Series 2016 General Obligation Refunding Bonds in the amount of \$14,135,000. These bonds were used to extinguish \$14,630,000 of outstanding Series 2009 General Obligation Bonds through an in-substance defeasance.

Debt Fund III

2023-2024 Proposed Budget

The in-substance defeasance was accomplished by placing a portion of the proceeds of the Series 2016 General Obligation Refunding Bonds in an irrevocable trust from which principal and interest payments will be made on the defeased debt. The excess of the reacquisition price of the defeased debt over its carrying value was deferred and is being amortized over the term of the Series 2016 bonds. At June 30, 2017, \$14,630,000 in Series 2009 bonds were outstanding and considered defeased.

General Obligation Bonds	Series 2012 Bonds		Series 2016 Refunding Bonds		Total
	Principal	Interest	Principal	Interest	
2023-2024	4,645,000	228,425	3,885,000	155,400	8,913,825

In May 2020, voters approved Ballot Measure No. 20-306 to increase safety, repair and construct labs for training, extend life of aging facilities, update technology and finance capital costs to support student learning. This approved measure provided authority for the College to issue \$121.5 million in general obligation bonds. The bonds will be retired from property taxes levied by the College. The Series 2020A Bonds are tax-exempt and will mature in 2040, while the Series 2020B Bonds are federally taxable and will mature in 2029. The all-in true interest cost for Series 2020A and 2020B Bonds 1.82%.

General Obligation Bonds	Series 2020A Bonds		Series 2020B Bonds		Total
	Principal	Interest	Principal	Interest	
2023-2024	-	2,769,900	890,000	651,119	4,311,019
2024-2040	65,240,000	28,461,400	52,905,000	2,079,191	148,685,591
Total General Obligation Bonds	65,240,000	31,231,300	53,795,000	2,730,310	152,996,610

Full Faith and Credit Obligations

In October 2016, the College issued \$17,580,000 of Full Faith and Credit Obligations, Series 2016 to extinguish the remaining \$19,355,000 of Full Faith and Credit Obligations, Series 2010 (previously termed "Recovery Zone Bonds"). The Series 2010 Obligations were used to finance the costs of capital improvements for the College's student housing project, to pay capitalized interest and to pay the costs of issuance of the Obligations.

The Series 2010 Obligations were called on October 25, 2016. The College advance refunded the Series 2010 Obligations to take advantage of lower interest rates and to reduce total debt service payments over the life of the Series 2016 Obligations by \$3,171,550. The refunding resulted in an economic gain (difference between the present values of the old and new debt service payments) of \$2,554,977. The Series 2016 Obligations bear interest rates from 1.6% to 5.0% and the final maturity is on December 1, 2035. Debt service payments are scheduled semiannually.

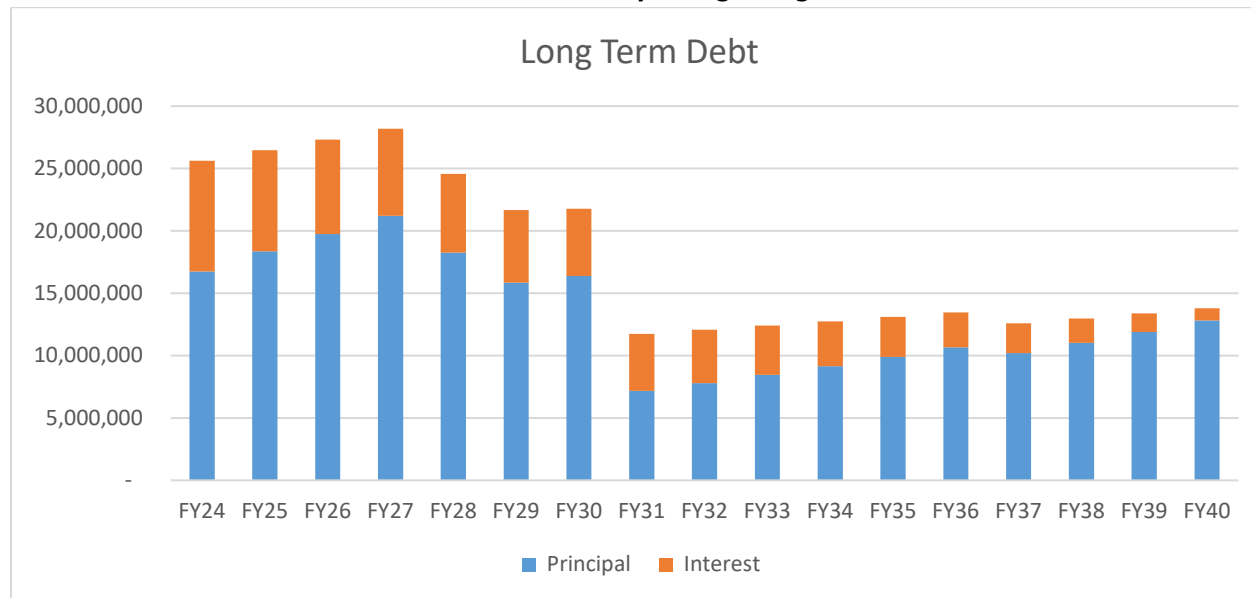
Full Faith & Credit Obligations	Principal	Interest	Total
2023-2024	765,000	492,900	1,257,900
2024-2036	11,845,000	3,078,500	14,923,500
	<u>12,610,000</u>	<u>3,571,400</u>	<u>16,181,400</u>

Pension Obligation Bonds

In April 2003, the College issued \$51,803,948 of Limited Tax Pension Obligation Bonds and transferred the net proceeds to the State of Oregon Public Employees Retirement System to cover a portion of the College's share of the cost sharing plan's unfunded actuarial liability. The resulting pension asset is being used to pay a portion of the College's annual required contribution. Principal payments are due annually through June 30, 2028, and interest is payable in December and June of each year, with rates ranging from 6.18% to 6.25%. Chart 10 on page 57 shows the College's total debt service.

In June 2022, the College issued a Full Faith and Credit Pension Bond with a private bank totaling \$69,290,000, the net proceeds of which were transferred to the State of Oregon Public Employees Retirement System to cover a portion of the College's share of the cost sharing plan's unfunded actuarial liability. The resulting pension asset is being used to pay a portion of the College's annual required contribution. Principal payments are due annually through June 30, 2042 and interest is payable in December and June of each year at a rate of 4.42%.

Pension Obligation Bonds	Principal	Interest	Total
2023-2024	6,450,000	4,537,502	10,987,502
2025-2042	88,705,000	36,298,531	125,003,531
Total Pension Obligation Bonds	95,155,000	40,836,033	135,991,033
Less Deferred Interest	(280,394)		
Carrying Amount	94,874,606		
Total Debt Service	Principal	Interest	Total
2023-2024	15,860,000	5,437,558	21,297,558
2025-2042	100,940,000	39,568,450	140,508,450
Total Debt Service	116,800,000	45,006,008	161,806,008
Less Deferred Interest	(280,394)		
	116,519,606		

Chart 10: Lane Community College Long Term Debt⁵⁵ Source: Lane Community College Audited Financial Reports for the Fiscal Year Ended June 30, 2022

Capital Projects Fund IV

2023-2024 Proposed Budget

The capital projects fund (Fund IV) accounts for improvements to the physical plant of the College and major equipment additions.

FY 2020-21 ACTUAL	FY 2021-22 ACTUAL	FY 2022-23 BUDGET	Description of Resources and Requirements	FTE	FY 2023-24 PROPOSED	+ - Explanation of changes in budget of > 10%
RESOURCES						
1,552,828	137,085,280	70,346,225	Beginning Fund Balance		111,190,000	+ Budgeted at current projection
121,653	45,281	50,000	Other Fees & Charges		50,000	
139,859,106	(1,179,638)	50,000,000	Other Revenue			- Budgeted at current projection
139,980,759	(1,134,357)	50,050,000	Total Revenues		50,000	
Transfers In						
550,000	700,000	700,000	Transfer In General Fund I		700,000	
42,500	122,000	145,000	Transfer In Administratively Restricted IX		143,650	
592,500	822,000	845,000	Total Transfers In		843,650	
142,126,087	136,772,923	121,241,225	TOTAL RESOURCES		112,083,650	
REQUIREMENTS						
Plant Additions						
3,594,755	6,026,666	50,000,000	Bond 2020		110,000,000	+ Budgeted at current projection
733,574	1,118	150,000	Bond Projects		170,000	
712,478	698,832	1,580,000	Facilities Management & Planning		1,563,650	
		350,000	Non-Departmental		350,000	
5,040,807	6,726,616	52,080,000	Total Plant Operation & Maintenance	4.0	112,083,650	
Contingency						
-	-	69,161,225	Bond 2020			
-	-	69,161,225	Total Contingency		-	
Transfers Out						
-	300,000	-	To General Fund I		-	
-	300,000	-	Total Transfers Out		-	
5,040,807	7,026,616	121,241,225	TOTAL REQUIREMENTS		112,083,650	
SUMMARY						
142,126,087	136,772,923	121,241,225	Total Resources		112,083,650	
(5,040,807)	(7,026,616)	(121,241,225)	Less: Total Requirements		(112,083,650)	
137,085,280	129,746,307	-	RESOURCES OVER-(UNDER) EXPENDITURES		-	
137,085,280	129,746,307	-	ENDING FUND BALANCE		-	

Capital Projects Fund IV Requirements by Expense Category

2023-2024 Proposed Budget

	FY 2023-24 PROPOSED	Personnel Services	Materials & Services	Capital Outlay	Transfers Out	Debt Service	Contingency
Plant Additions							
Bond 2020	110,000,000	549,602	109,450,398	-	-	-	-
Bond Projects	170,000	-	170,000	-	-	-	-
Facilities Management & Planning	1,563,650	-	1,563,650	-	-	-	-
Non-Departmental	350,000	-	250,000	-	-	-	100,000
Total Plant Additions	112,083,650	549,602	111,434,048	-	-	-	100,000
Contingency							
Bond 2020	-	-	-	-	-	-	-
Total Contingency	-	-	-	-	-	-	-
Total Fund IV Requirements	112,083,650	549,602	111,434,048	-	-	-	100,000

What is a Capital Project?

A Capital Project is defined as an activity that creates, improves, replaces, repairs, or maintains a capital asset and results in a permanent addition to the college's asset inventory. Capital Projects are accomplished through one or more of the following actions:

- Rehabilitation, reconstruction or renovation of an existing facility to a condition which extends its useful life or increases its usefulness or capacity;
- Acquisition of property; or,
- Construction of new facilities.

Capital Projects are generally large-scale endeavors in terms of cost, size and benefit to the community. They involve non-recurring expenditures or capital outlays from a variety of specifically identified funding sources, which do not duplicate normal maintenance activities funded by the operating budget.

What is a Capital Purchase?

A Capital Purchase is equipment, books and publications, or software with a useful life exceeding two years and an individual cost equal to or above the following thresholds:

1. At the threshold set forth in applicable regulations or grantor requirements, when the assets are acquired with grant or contract funds, but not at a higher threshold than 2, below.
2. At \$10,000 when the owner of the asset(s) is Lane Community College at the time of purchase or construction (*COPPS, Purchases: Capital Equipment.*).

Rehabilitation and Preservation of Existing Capital Assets

As an asset ages, it requires preservation to protect or extend its useful life. In addition, reconstruction costs are frequently four to five times the cost of preservation and maintenance. For that reason, major maintenance funding transfer from the General Fund to the Capital Projects Fund reflects board policy:

- Assure that plant and equipment are not subjected to improper wear and tear or insufficient maintenance (*Board Policy 205*).

What is Deferred Maintenance?

Deferred maintenance is previously unfunded major maintenance or capital projects. By deferring maintenance or capital renewal, the risk of facility or capital failure increases.

What are Lane Community College's Deferred Maintenance Needs?

The 2017 Facilities Conditions Assessment identified \$90,000,000 in maintenance needs from 2017 to 2027. These needs include roofs, HVAC systems, electrical systems, elevator modernizations, ADA upgrades, and plumbing improvements. Also in 2017, LCC began work on a facilities master plan to address the physical assets of the College for the next 10 to 15 years. After a robust and inclusive process, the 2019 Lane Community College Facilities Master Plan was approved by the LCC Board of Education in March 2020. The plan addresses the primary needs, but not all, of deferred maintenance of buildings, space use efficiency, exterior accessibility and way-finding, safety and climate action planning/sustainability. At a cost of \$219 million, the plan identifies several funding sources over the next decade, including, but not limited to: local bonds, state sources, annual major maintenance funding from the general fund, and private sources. Most funding streams are uncertain. What's more, even if all the identified funding is realized, the College still anticipates 41% of its deferred maintenance backlog will be unaddressed in 2033.

The College currently faces \$80,046,515 in deferred maintenance needs across the main campus, the Cottage Grove Center, the Florence Center, the Mary Spilde Center in downtown Eugene, the Aviation Academy, and KLCC. Experts recommend budgeting 1.5% to 2.5% of the current replacement value of a building toward major maintenance projects. Lane's buildings have a current replacement value of \$947 million. This equates to a recommended \$14 to \$23 million annual major maintenance budget for Lane. The College's average major maintenance allocation for the past 5 years has been \$1.1 million. While the 2020 Bond addresses a portion of the College's deferred maintenance needs, annual investment in major maintenance from the College's general fund budget remains critical.

To date, 2020 Bond funds have eliminated the following deferred maintenance needs:

- Resurfacing the track (\$516K);
- Building 6 Roof replacement (\$528K);
- Repaving and repairs in parking lots (\$800K);
- Florence Center deferred maintenance including electrical, plumbing, finishes, roofs and HVAC (\$3M); and
- LED lights (\$55K).

2020 Bond

Voters approved Ballot Measure No. 20-306 to increase safety, repair and construct labs for training, extend life of aging facilities, update technology, and finance capital costs to support student learning. Since the approval of bond funding, the Facilities Management and Planning team has developed the strategic vision outlined in the 2019 Facilities Master Plan into a framework of capital project initiatives. The framework and associated funding allocations are designed to address the core goals established by the Master Plan, in full alignment with bond requirements. Taking a student-centric approach to projects, scheduling and implementation planning balances impact to campus constituents, prevention of significant infrastructure damage or failure, opportunities with underutilized spaces, and the ability to leverage matching funds for some projects.

Completed Bond Projects:

- Building 6 Roof Replacement;
- Track resurfacing;
- Parking lot major maintenance;
- LED lighting replacements;
- Many of the planned information technology projects including classroom modernizations, cybersecurity projects, and IT infrastructure replacements; and
- Florence major maintenance (this project is substantially complete and will be 100% complete in 2023).

Bond Projects for FY23 & FY24:

- Replacement of synthetic turf on the soccer field and track infield (planned completion in FY23);
- Security camera upgrade (project underway);
- Continued IT classroom modernizations, cybersecurity projects, and infrastructure replacements;
- New Health Professions Building (Groundbreaking in FY23. Planned completion in FY24.);
- Industry and Trades Education Center Building (Groundbreaking in FY23. Planned completion in FY25.);
- Building 16 Math, Science and Engineering Building Improvements (design starting in FY23).

Capital Renewal Plan, Differing Funding Levels

For the FY24 Proposed Budget, Lane Community College proposes a \$112.6 million (table 13) budget for capital projects and purchases.

Table 13: LCC Adopted Capital Budget – All Funds and All Sources

Fund	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024 Proposed
General Fund	949,782	883,782	173,800	245,500	300,500	304,000	250,000	250,000	201,550
Admin. Restricted	158,175	323,476	349,063	160,404	100,000	110,000	110,000	80,000	80,000
Internal Service	185,000	100,000	25,000	-	-	63,200	-	40,000	50,000
Capital Fund⁶	35,245,627	9,661,608	7,491,369	4,066,500	3,817,200	22,507,000	46,915,000	52,080,000	112,083,650
Enterprise	310,000	30,000	20,000	-	-	-	-	-	-
Special Revenue	265,000	250,000	250,000	250,000	250,000	250,000	250,000	500,000	230,000
Total (\$)	37,113,584	11,248,866	8,309,232	4,722,404	4,467,700	23,234,200	47,525,000	52,950,000	112,645,200

The Capital Fund line item includes the 2020 bond and the major maintenance transfer from the general fund. The proposed Capital Fund amount of \$ 112,645,200 in FY24 represents \$110,000,000 for the 2020 bond and \$700,000 for major maintenance.

The scenarios in Table 14 on the next page outline capital renewal projects given the \$700,000 and also projects that would be accomplished with a \$2,000,000 budget and a \$5,000,000.

⁶ The Capital Fund budget is increasing due to the voter approved 2020 bond.

Table 14: FY24 Capital Renewable Plan at Differing Funding Levels Funding Scenarios⁷

Project	\$700K	\$2M	\$5M	Notes
Manual classroom door locks	✓	✓	✓	This was a request in a letter from the Lane Community College Employee Association (faculty union) titled, "Response to the February 22 Lockdown at LCC's Main Campus and Recommendations for Safety and Support going forward."
Replace the electrical feeder wire that serves over 20 buildings	✓	✓	✓	This feeder wire has a lifespan of 30 years and is currently over 50 years old. Failure of one of these wires will result in power loss to multiple buildings.
Cottage Grove flooring and repairs	✓	✓	✓	The LCC side of Cottage Grove Center needs many updates to be ready to start holding classes again once the South Lane Clinic opens for fall 2023. This includes new carpet, paint, replacing non-functional lighting and stained ceiling tiles, replacement of the main entry storefront door system and access control for the front door.
Space utilization study to support the capital campaign.	✓	✓	✓	In order to properly prepare for a multi-million dollar capital campaign, an in depth study of space utilization and needs must be conducted.
Elevated platform structural repairs		✓	✓	The 2nd level exterior walkways around the Center building are showing some signs of structural degradation are currently undergoing a structural review. At the \$2M and \$3M funding levels, we expect to be able to make repairs that may be recommended by the analysis.
Center metal roof		✓	✓	The metal roof around the Center Building is covered in moss and deteriorating. In order to protect the asset, it needs to be cleaned and painted.
Remove dead trees from area near parking lot in south forest		✓	✓	These dead trees create a safety hazard from trees falling on people and increase fire danger.
Building 17 ADA Restrooms		✓	✓	The Building 17 first floor restrooms do not meet current ADA codes.
Building 9 Diesel Lab women's restroom		✓	✓	There is currently no women's restroom serving the Diesel Technology Program.
Roof Tie Offs/Fall Protection - Building 1 & 5			✓	Required for employees to be able to get on roof for maintenance and repairs.
Install shades or blinds on all windows, both interior and exterior, for all classrooms, offices, and other common areas			✓	This was a request in a letter from the Lane Community College Employee Association (faculty union) titled, "Response to the February 22 Lockdown at LCC's Main Campus and Recommendations for Safety and Support going forward."
Creation of safe rooms within all buildings			✓	This was a request in a letter from the Lane Community College Employee Association (faculty union) titled, "Response to the February 22 Lockdown at LCC's Main Campus and Recommendations for Safety and Support going forward."
Improvements to building annunciators and strobes.			✓	This was a request in a letter from the Lane Community College Employee Association (faculty union) titled, "Response to the February 22 Lockdown at LCC's Main Campus and Recommendations for Safety and Support going forward."

⁷ Source: Facilities Management and Planning



INTERNAL SERVICE FUND II
FINANCIAL AID FUND V
ENTERPRISE FUND VI
EARLY RETIREMENT FUND VII
SPECIAL REVENUE FUND VIII

Internal Service Fund II

2023-2024 Proposed Budget

The internal services fund (Fund II) accounts for goods and services provided on a cost-reimbursement basis to various departments within the College.

FY 2020-21 ACTUAL	FY 2021-22 ACTUAL	FY 2022-23 BUDGET	Description of Resources and Requirements	FTE	FY 2023-24 PROPOSED	+	-	Explanation of changes in budget of > 10%
RESOURCES								
30,679	500,474	150,000	Beginning Fund Balance		100,000	-		Budgeted at current projection
828,251	-	-	Federal Revenue		-			
29,299	2,048	650,000	Sale of Goods and Services		465,000	-		Budgeted at current projection
438	18,655	30,000	Other Fees & Charges		40,000	+		Budgeted at current projection
83,369	261,075	80,000	Other Revenue		50,000	-		Budgeted at current projection
<u>941,357</u>	<u>281,778</u>	<u>760,000</u>	Total Revenues		<u>555,000</u>			
972,036	782,252	910,000	TOTAL RESOURCES		655,000			
REQUIREMENTS								
College Support Services								
-	-	20,000	Information Technology		25,000	+		Budgeted at current projection
24,838	27,878	50,000	Institute for Sustainable Practices		50,000			
278	13,457	70,000	Motor Pool		90,000	+		Budgeted at current projection
446,446	460,255	660,000	Printing & Graphics		440,000	-		Budgeted at current projection
<u>471,562</u>	<u>501,590</u>	<u>800,000</u>	Total College Support Services	3.2	<u>605,000</u>			
Plant Operation & Maintenance								
-	88	-	Non-Departmental		-			
-	88	-	Total Plant Operation & Maintenance		-			
Contingency								
-	-	110,000	Projects/Provisions		50,000	-		Budgeted at current projection
-	-	110,000	Total Contingency		50,000			
<u>471,562</u>	<u>501,678</u>	<u>910,000</u>	TOTAL REQUIREMENTS		<u>655,000</u>			
SUMMARY								
972,036	782,252	910,000	Total Resources		655,000			
(471,562)	(501,678)	(910,000)	Less: Total Requirements		(655,000)			
500,474	280,573	-	RESOURCES OVER-(UNDER) EXPENDITURES		-			
500,474	280,573	-	ENDING FUND BALANCE		-			

Internal Service Fund II Requirements by Expense Category

2023-2024 Proposed Budget

	FY 2023-24 PROPOSED	Personnel Services	Materials & Services	Capital Outlay	Transfers Out	Debt Service	Contingency
College Support Services							
Information Technology	25,000	-	25,000	-	-	-	-
Institute for Sustainable Practices	50,000	-	50,000	-	-	-	-
Motor Pool	90,000	-	40,000	50,000	-	-	-
Printing & Graphics; Warehouse	440,000	313,672	126,328	-	-	-	-
Total College Support Services	605,000	313,672	241,328	50,000	-	-	-
	-						
Contingency	-						
Non-Departmental	50,000		50,000	-	-	-	-
Total Contingency	50,000	-	50,000	-	-	-	-
Total Fund II Requirements	655,000	313,672	291,328	50,000	-	-	-

Financial Aid Fund V
2023-2024 Proposed Budget

The financial aid fund (Fund V) accounts for federal, state, and local student loan and grant programs associated with student financial aid.

FY 2020-21 ACTUAL	FY 2021-22 ACTUAL	FY 2022-23 BUDGET	Description of Resources and Requirements	FY 2023-24 PROPOSED	+ - Explanation of changes in budget of > 10%
RESOURCES					
576,928	818,132	1,527,500	Beginning Fund Balance	767,500	- Budgeted at current projection
4,956,764	5,116,896	8,455,000	State Support	6,770,000	- Budgeted at current projection
18,139,843	15,242,709	29,200,000	Federal Support	29,400,000	
844,329	874,827	750,000	Other Fees & Charges	1,200,000	+ Budgeted at current projection
-	26,265	-	Administrative Recovery	-	
2,527,366	2,060,490	3,100,000	Other Revenue	3,250,000	
26,468,302	23,321,188	41,505,000	Total Revenues	40,620,000	
27,045,230	24,139,320	43,032,500	TOTAL RESOURCES	41,387,500	
REQUIREMENTS					
Financial Aid					
26,221,162	23,248,099	41,772,500	Financial Aid	40,837,500	
26,221,162	23,248,099	41,772,500	Total Expenditures	40,837,500	
Transfers Out:					
5,936	50,000	50,000	To General Fund I	50,000	
5,936	50,000	50,000	Total Transfers Out	50,000	
Contingency					
-	-	1,210,000	Non-Departmental	500,000	- Budgeted at current projection
-	-	1,210,000	Total Contingency	500,000	
26,227,098	23,298,099	43,032,500	TOTAL REQUIREMENTS	41,387,500	
SUMMARY					
27,045,230	24,139,320	43,032,500	Total Resources	41,387,500	
(26,227,098)	(23,298,099)	(43,032,500)	Less: Total Requirements	(41,387,500)	
818,132	841,221	-	RESOURCES OVER-(UNDER) EXPENDITURES	-	
818,132	841,221	-	ENDING FUND BALANCE	-	

Enterprise Fund VI
2023-2024 Proposed Budget

The enterprise fund (Fund VI) accounts for the operations of the College's Housing Program

FY 2020-21 ACTUAL	FY 2021-22 ACTUAL	FY 2022-23 BUDGET	Description of Resources and Requirements	FY 2023-24 PROPOSED	+	-	Explanation of changes in budget of > 10%
			RESOURCES				
(675,775)	553,107	200,000	Beginning Fund Balance	186,154			
			Tuition & Fees:				
1,902,238	-	-	- Tuition	-			
240,958	-	-	- Student Fees	-			
273	-	-	- Sale of Goods and Services	-			
1,722,279	-	-	- Federal Support	-			
1,659,783	1,808,302	2,540,000	Downtown Housing Rents	1,900,000			
242,521	-	-	- Other Fees & Charges	-			
5,768,050	1,808,302	2,540,000	Total Revenues	1,900,000			
5,092,275	2,361,409	2,740,000	TOTAL RESOURCES	2,086,154			
			REQUIREMENTS				
			Instruction				
-	-	-	- Non-Departmental	-			
134,015	-	-	- International Programs	-			
134,015	-	-	Total Instruction	-			
			Student Services				
114,634	43,497	-	- Bookstore	-			
891,788	1,181,813	1,805,000	Downtown Housing	1,135,000			- Budgeted at current projection
565	412	-	- Foodservices	-			
169,101	2	-	- Hospitality & Conference Services	-			
2,429,065	-	-	- International Programs	-			
3,605,153	1,225,724	1,805,000	Total Student Services	1,135,000			
			Contingency				
-	-	200,000	Projects/Provisions	186,154			
-	-	200,000	Total Contingency	186,154			
			Transfers Out:				
800,000	635,000	735,000	To Debt Service Fund III	765,000			
-	500,000	-	- To Endowment Fund IX	-			
800,000	1,135,000	735,000	Total Transfers Out	765,000			
4,539,169	2,360,724	2,740,000	TOTAL REQUIREMENTS	2,086,154			
			SUMMARY				
5,092,275	2,361,409	2,740,000	Total Resources	2,086,154			
(4,539,169)	(2,360,724)	(2,740,000)	Less: Total Requirements	(2,086,154)			
553,107	684	-	RESOURCES OVER-(UNDER) EXPENDITURES	-			
553,107	684	-	ENDING FUND BALANCE	-			

Early Retirement and Early Retirement Health Insurance

Information regarding Fund VII is reported in the College annual financial report (audit). Fund VII accounts for the accumulation of resources for, and the payment of, the College's early retirement and healthcare commitments.

The College maintains a single-employer defined benefit public employee early retirement supplemental plan, which provides early retirement benefits to all management personnel who commenced employment with the College before July 1, 1991, and all College faculty members. The plan was established under collective bargaining agreements with the faculty and contract negotiations with management.

Retirement eligibility – management employees with 10 years of College service immediately preceding retirement and age 58 or age 55 with 30 years of Oregon PERS service. Faculty employees at age 55 and 10 years of College service immediately preceding retirement.

Stipend benefit – management employees receive 1.25% of the retiree's last regular monthly salary, multiplied by the number of full months of continuous permanent employment up to 192 months, divided by 12, payable until age 65. Faculty employees receive \$175 per month payable to age 62.

The College also maintains a single-employer defined benefit post-employment health care benefits plan. The plan provides group health care and life insurance benefits for retired employees from the employees' retirement date to age 65. Substantially all management personnel who commenced employment with the College before July 1, 1991, and all faculty employees, become eligible for these benefits if they qualify for retirement while working for the College.

The plan was established under collective bargaining agreements with the faculty and contract negotiations with management. Additionally, the College makes the same healthcare benefit plans offered to current employees available to retirees and their dependents (regardless of eligibility for the explicit benefits described above) until such time as the retirees are eligible for Medicare. Although the College does not pay any portion of the plan premiums for retirees not eligible for the explicit benefit, there is an implicit benefit because a) the greater claims associated with retirees are reflected in the plan rates and b) those who opt to be covered by the College plans pay lesser premiums than they would had they bought coverage elsewhere. The College Board of Education authorizes the plan and may change the benefits in conjunction with collective bargaining.

Early Retirement Fund VII

2023-2024 Proposed Budget

FY 2020-21 ACTUAL	FY2021-22 ACTUAL	FY2022-23 BUDGET	Description of Resources and Requirements	FY 2023-24 PROPOSED	+	Explanation of changes in budget of > 10%
			RESOURCES		-	
6,255,738	5,889,451	5,485,000	Beginning Fund Balance	5,490,000		
48,647	15,355	15,000	*** Other Investment Income	40,000		+ Budgeted at current projection
6,304,385	5,904,806	5,500,000	TOTAL RESOURCES	5,530,000		
			REQUIREMENTS			
414,935	404,403	5,500,000	Instruction	5,530,000		
414,935	404,403	5,500,000	TOTAL REQUIREMENTS	5,530,000		
			SUMMARY			
6,304,385	5,904,806	5,500,000	Total Resources	5,530,000		
(414,935)	(404,403)	(5,500,000)	Less: Total Requirements	(5,530,000)		
5,889,451	5,500,403	-	RESOURCES OVER-(UNDER) EXPENDITURES	-		
5,889,451	5,500,403	-	ENDING FUND BALANCE			

Special Revenue Fund VIII

2023-2024 Proposed Budget

The special revenue fund (Fund VIII) accounts for projects funded from federal, state and local grant funds.

FY 2020-21 ACTUAL	FY2021-22 ACTUAL	FY2022-23 BUDGET	Description of Resources and Requirements	FTE	FY 2023-24 PROPOSED	+ - Explanation of changes in budget of > 10%
RESOURCES						
309,550	368,330	400,000	Beginning Fund Balance		300,000	- Budgeted at current projection
3,540,821	6,521,376	6,500,000	State Support		18,000,000	+ Budgeted for Health Care Village
16,720,029	22,375,384	10,000,000	Federal Support		11,000,000	
11,623	16,416	600,000	Local Support		2,000,000	+ Budgeted at current projection
78,832	94,441	75,000	Tuition & Fees		100,000	+ Budgeted at current projection
1,275	1,700	50,000	Sale of Goods and Services		30,000	- Budgeted at current projection
421,782	643,323	2,375,000	Other Revenue		3,900,000	+ Budgeted at current projection
20,774,362	29,652,640	19,600,000	Total Revenues		35,030,000	
21,083,912	30,020,970	20,000,000	TOTAL RESOURCES		35,330,000	
REQUIREMENTS						
Funded Projects						
10,158,918	7,581,444	13,553,000	Instruction	22	9,930,000	- Budgeted at current projection
160,312	140,054	150,000	Instructional Support		150,000	
3,132,766	12,480,914	1,147,000	Student Services	18.2	14,000,000	+ Budgeted at current projection
6,822,715	6,631,032	5,000,000	Community Services	23.5	7,500,000	+ Budgeted at current projection
18,509	139,212	150,000	College Support Services		150,000	
422,362	2,749,279	-	Plant Operation & Maintenance		3,600,000	+ Budgeted for Health Care Village
20,715,582	29,721,935	20,000,000	Total Funded Projects		35,330,000	
20,715,582	29,721,935	20,000,000	TOTAL REQUIREMENTS	63.3	35,330,000	
SUMMARY						
21,083,912	30,020,970	20,000,000	Total Resources		35,330,000	
(20,715,582)	(29,721,935)	(20,000,000)	Less: Total Requirements		(35,330,000)	
368,330	299,036	-	RESOURCES OVER-(UNDER) EXPENDITURES		-	
368,330	299,036	-	ENDING FUND BALANCE		-	



A: BUDGET STRUCTURE & FUNCTIONS

B: FINANCIAL POLICIES

C: AFFIRMATIVE ACTION

D: GLOSSARY OF TERMS & ACRONYMS

Basis of Budgeting

For the budget document, Oregon Budget Law requires that a modified accrual basis of accounting is used which determines when and how transactions or events are recognized. Therefore, revenues are reported when earned, expenditures are reported when the liability is incurred and taxes are accounted for on a cash basis, i.e. when received. The result is that carryovers of financial obligations from year-to-year are precluded and projections of anticipated revenue are not inflated.

The College budgets all College funds required to be budgeted, the General Fund and all Auxiliary Funds, in accordance with Oregon Local Budget Law on a Non-GAAP (Generally Accepted Accounting Principles) budgetary basis, whereas GAAP provides the structure for the basis of accounting used for financial statement reporting. The differences between GAAP and the budgetary basis of accounting generally concern timing of recognition of revenues and expenditures. Thus, there are no differences between fund structure in the financial statements and the budget document.

The basic financial statements present the College and its component unit, Lane Community College Foundation, for which the College is considered to be financially accountable. The Foundation, a legally separate tax-exempt entity, is a discretely presented component unit and is reported in a separate column in the basic financial statements. The budget document presents College information exclusive of Foundation data.

Under GAAP, basic financial statements are reported using the economic resources measurement focus and accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Property taxes are recognized as revenues in the years in which they are levied. Grants and other similar types of revenue are recognized as soon as all eligibility requirements imposed by the grantor have been met.

Material timing differences in expenditures between GAAP and the budgetary basis of accounting include capital expenditures, which under GAAP are allocated to depreciation expense over a specified period of time. In the budget document, capital expenditures are assigned in full to operations expense. With respect to debt service, payments to principal reduce the liability on the financial statements while interest payments are expensed. Under the budgetary basis of accounting, both principal and interest are expensed to operations within the fiscal year.

Funds

Lane Community College's budget is separated into the following funds appropriated by the Board of Education. Each fund is independently budgeted, operated and accounted for. The College's primary budgeting and operation funds are the General Fund (I) and the Special Revenue – Administratively Restricted Fund (IX).

Fund I: General Fund

Accounts for all resources traditionally associated with operating the College which are not required legally or by sound financial management to be accounted for in another fund.

Fund IX: Special Revenue – Administratively Restricted Fund

Accounts for specific programs where funds are administratively restricted. Activities recorded in this fund generate revenue primarily through specifically assessed tuition and fees or through other revenue-generating activities.

Fund II: Internal Service Fund

Accounts for goods and services provided on a cost-reimbursement basis to various departments within the College.

Fund III: Debt Service Fund

Accounts for the funds collected to pay the debt services requirements on bonds, debt obligations, pension bonds payable and notes payable.

Fund IV: Capital Projects Fund

Accounts for improvements to the physical plant of the College and major equipment additions.

Fund V: Financial Aid Fund

Accounts for federal, state, and local student loan and grant programs associated with student financial aid.

Fund VI: Enterprise Fund

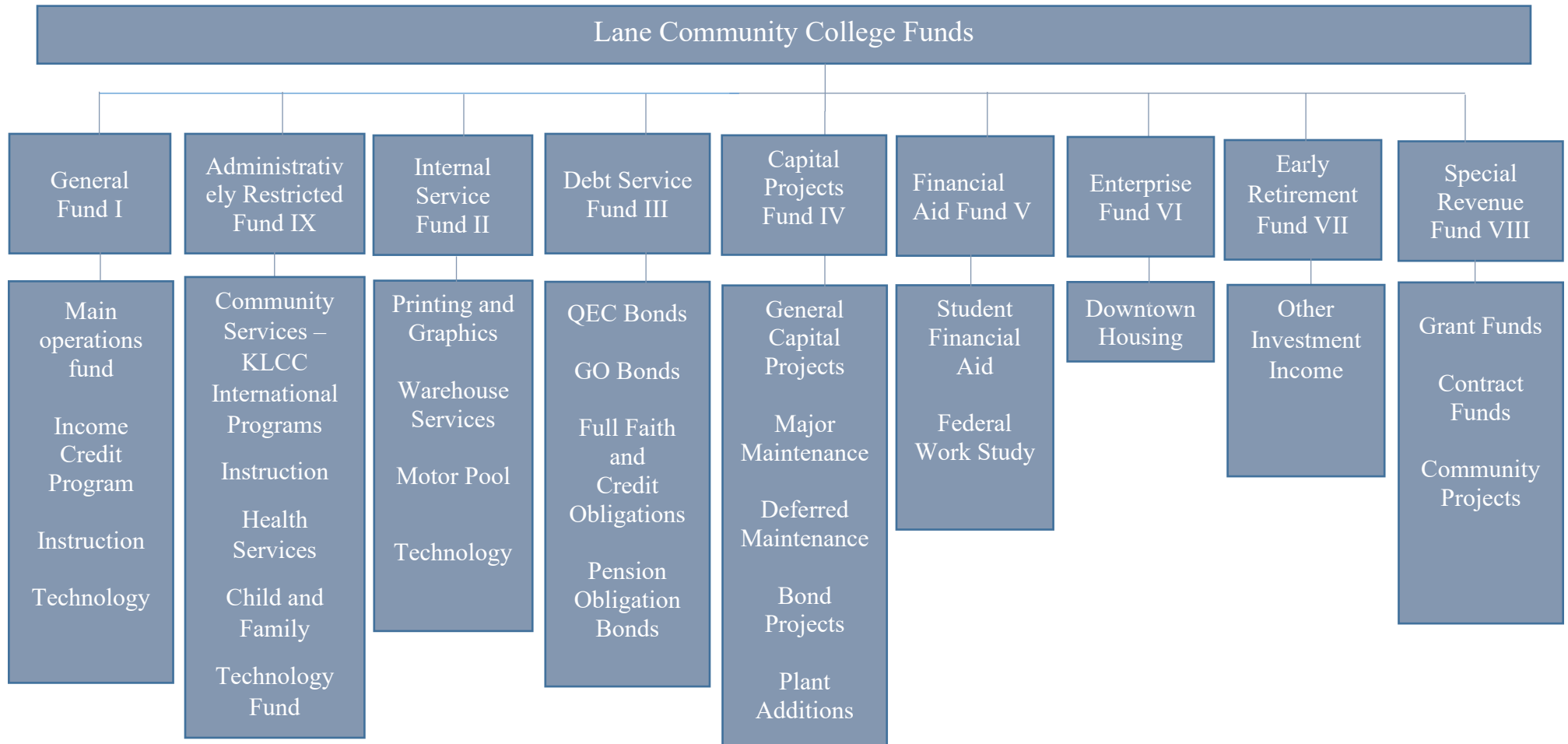
Accounts for the operations of the College's Housing Program.

Fund VII: Early Retirement Fund

Accounts for the accumulation of resources for, and the payment of, the College's early retirement and healthcare commitments.

Fund VIII: Special Revenue Fund

Accounts for projects funded from federal, state, and local grant funds.



Revenue Sources**Intergovernmental**

Also known as total public resources, intergovernmental resources include Lane's allocation of community college funding from the State of Oregon, resources from various unrestricted federal, state and local contracts, and local property tax revenue. State community college funding resources are determined by the state legislature's funding distribution formula and are calculated on a biennial basis. Federal, state and local unrestricted resources are budgeted using statistical trend analysis. Property tax revenue is determined by annual property tax levy and is budgeted using estimates provided by the state and through historical trend analysis.

Tuition

Credit tuition is generated by assessing students per credit-hour rates. Non-credit tuition is generated by charging varying rates per course based on course costs and market forces. Tuition resources are budgeted taking into consideration enrollment projections developed by the College's Planning and Institutional Effectiveness office.

Instructional Fees

Instructional fees are generated by assessing students for course-related expenses such as art supplies. All instructional fees are administratively restricted resources that are tied specifically to instructional expenditures and are not available for general allocation. Departmental instructional fees are established based on estimated materials and services costs and are approved by the Board of Education. Instructional fees are budgeted based on enrollment projections that are developed by the College's Planning and Institutional Effectiveness Office and historical trend analysis.

Fees (Non-Instructional)

Non-instructional fees are generated by assessing students for non-instructional expenses such as student body fees, transportation fees and technology fees. Individual fee amounts are approved by the Board of Education and budgeted based on enrollment projections and historical trend analysis.

Sale of Goods and Services

Sales of Goods and Services are generated primarily through the College's Enterprise and Internal Service activities including such units as KLCC Public Radio, the LCC Dental Clinic, and Printing and Graphics. Sale of Goods and Services revenue is budgeted based on historical trends factoring in known variables.

Administrative Recovery

Administrative Recovery includes amounts received from various federal, state and local grants and contracts as a contribution to the General Fund for administrative and overhead costs.

Transfers In

Interfund Transfers In move resources from one fund to another. These transfers are for specific amounts and purposes. An example would be transferring resources from Flight Technology in Fund 9 to the Debt Service Fund to pay the annual debt service on an airplane purchase loan.

Other Resources

These include resources from various activities such as finance charges, insurance proceeds, sale of equipment, enforcement fees, interest income and other nominal, one-time miscellaneous amounts. Budgeting is based on historical trend analysis.

Expense Functions**Instruction**

Expenditures are for all activities that are part of the College's instructional programs including expenditures for departmental administrators and their support.

Instructional Support

Expenditures are for activities carried out primarily to provide support services that are an integral part of the College's instructional programs. This category includes the media and technology employed by these programs for the retention, preservation and display of materials as well as the administrative support operations that function within the various instructional units. It also includes expenditures for chief instructional officers and their support where their primary assignment is administration.

Student Services

Expenditures are for admissions, registration, recordkeeping and other activities when the primary purpose is to contribute to students' well-being and development outside the context of their formal instructional program.

Community Services

Expenditures are for activities established primarily to provide non-instructional services to groups external to the College. One such activity involves making the various resources and unique capabilities that exist within the College available to the public.

College Support Services

Expenditures are for activities whose primary purpose is to provide operational support for the ongoing operation of the College excluding physical plant operations. Expenses include executive management, fiscal operations, administrative and logistical services and community relations.

Plant Operations and Maintenance

Expenditures are for the operation and maintenance of the physical plant. It includes services related to campus grounds and facilities, utilities and property insurance.

Plant Additions

Expenditures are for land, land improvement, buildings and major remodeling or renovation that is not a part of normal plant operation and maintenance.

Financial Aid

Expenditures are for loans, grants and trainee stipends to enrolled students. Student fee remissions are also included in this expense function.

Contingency

A budget account (not for expenditures) to provide for contingencies and unanticipated items or to hold funds for future distribution. This function may also be used to provide expenditure authority for obligations created but not expended in previous years.

Expenditure Categories**Personnel Services**

Personal Services expenditures include all full-time and part-time payroll plus Other Payroll Expenses (OPE). Payroll is budgeted using actual position lists, and where possible, factors in any anticipated changes in collective bargaining agreements. OPE rates are budgeted using benefits cost projections including amounts for various employment-related taxes, health and life insurance premiums, retirement fund contributions and other direct employee benefits.

Materials and Services

Materials and Services expenditures include items such as office support supplies for instructional and operations departments, non-capitalized equipment, travel and maintenance.

Capital Outlay

Capital Outlay expenditures include all equipment purchases with a single item cost in excess of \$10,000 and with a useful life exceeding two years. Capital Outlay is budgeted and allocated according to the Capital Assets Replacement Plan.

Transfers Out

Interfund transfers-out includes resource funding of specific amounts to another fund for an identified purpose. The majority of transfers-out occur in the General Fund and include items such as transfers to the Debt Service Fund for debt service and transfers to the Capital Projects Fund for capital repairs and improvements, special projects, capital reserves and deferred maintenance.

Debt Service

Debt Service includes amounts transferred out to the Debt Service Fund to cover current payment of long-term debt obligations entered into by the College.

Contingency

Contingency is a budget account used to provide for unanticipated items or to hold funds for future distribution. This category may also be used to provide expenditure authority for obligations created but not expended in previous years.

Policy BP205: Asset Protection**Adopted 11.09.98; Last Reviewed 4.12.17**

The president shall assure that assets are protected, adequately maintained, and not placed at risk.

Accordingly, the president shall:

1. Insure against theft and casualty losses and against liability losses to board members, staff, and the organization itself in an amount similar to the average for comparable organizations.
2. Prevent uninsured personnel from access to material amounts of funds.
3. Assure that plant and equipment are not subjected to improper wear and tear or insufficient maintenance.
4. Assure that the organization, its board, or staff, are not unnecessarily exposed to claims of liability.
5. Assure that every purchase:
 - a. Includes normally prudent protection against conflict of interest; and
 - b. Of over \$100,000 for goods and services contracts or \$150,000 for public improvements contracts includes a stringent method of assuring the balance of long-term quality and cost.
6. Protect intellectual property, information, and files from loss or significant damage.
7. Receive, process, or disburse funds under sufficient controls to meet the board-appointed auditor's standards.
8. Invest or hold operating capital in excess of daily requirements in accordance with ORS 294.035.
9. Not endanger the organization's public image or credibility, particularly in ways that would hinder the accomplishment of its mission.
10. Not name a building, substantial parts of buildings, or significant landscape features of Lane Community College without prior approval of the board; and, when a building has substantial support from a donor, without prior involvement of the Foundation.

Policy BP210: Board Duties and Responsibilities: Budget Making**Adopted 11.09.98; Last Reviewed 06.14.18**

The board of education has the responsibility to:

1. Adopt the annual budget before July 1 of the budget year.
2. Act as the levying board in the budget process.
3. Assist in presenting the needs of the college to the public and assist in the adoption, through the formulated budget process, of a budget that will address these needs.
4. Appoint the seven members with whom they shall serve jointly as the budget committee.
5. Review student tuition rates annually.

Policy BP215: Budget Officer**Adopted 11.09.98; Last Reviewed 10.11.18**

The president or designee shall serve as budget officer. The budget officer shall be responsible for preparation and maintenance of the budget document in compliance with Local budget Law [ORS 294].

Policy BP220: Budget Preparation and Adoption**Adopted 11.09.98; Last Reviewed 4.12.17**

At the direction of the board of education, the president shall study budget needs and prepare recommendations on programs and services for budget committee consideration. The recommendation of advisory committees and interested citizens and organizations within the college district shall be considered by the president in developing the budget document. The college budget shall be prepared and adopted in compliance with Oregon Local Budget Law [ORS 294].

Policy BP225: Budgeting of Non-Recurring Resources**Adopted 1.14.04; Last Reviewed 11.15.18**

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 maybe allocated or 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 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.

Policy BP230: Capital Reserve Funds**Adopted 1.14.04; Last Reviewed 11.15.18**

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.

Policy BP235: Debt Issuance and Management**Adopted 6.9.04; Last Reviewed 4.12.17**

The president shall ensure that sufficient funds are available to meet current and future debt service requirements on all indebtedness, while adequately providing for recurring operating requirements. The issuance of debt limits the college's flexibility to respond to future learning priorities; consequently, the college shall issue and manage debt in a manner which maintains a sound fiscal position, protects its creditworthiness and complies with ORS 341.675 and ORS 341.715.

To meet the objectives of this policy the president shall ensure that the college incurs and services all debts in a manner that will:

- Maintain a balanced relationship between debt service requirements and current operating needs.
- Maintain and enhance the college's ability to obtain access to credit markets, at favorable interest rates, in amounts needed for capital improvements and to provide essential learning services.
- Prudently incur and manage debt to minimize costs to the taxpayers and ensure that current decisions do not adversely affect future generations.
- Preserve the college's flexibility in capital financing by maintaining an adequate margin of statutory debt capacity.

The board shall approve borrowing as described in Board Policy BP315. Long-term debt (due more than a year in the future) shall not be issued to fund normal operating needs.

Policy BP240: Definition of a Balanced Budget**Adopted 1.14.04; Last Reviewed 11.15.18**

The board directs the president to develop annual budget recommendations that are in accordance with the college's strategic plan and conform to the requirements of Local Budget Law [ORS 294.326]. The budget shall provide for:

- Annual operating expenditures not to exceed projected revenues (Expenditures shall be budgeted according to the college's strategic priorities.)
- Debt service, both current (due in less than 12 months) and long term.
- Reserves for maintenance and repairs to its existing facilities.
- Reserves for acquisition, maintenance and replacement of capital equipment.
- Reserves for strategic capital projects.
- Funding levels to fulfill future terms and conditions of employment, including early retirement benefits.
- Allocations for special projects related to the strategic directions of the college.
- Allocations for contingencies (unforeseen events requiring expenditures of current resources.)
- Ending Fund Balances (according to policies set specifically for that purpose.)

Lane has a further responsibility to:

- Plan how it will spend any "onetime" unanticipated revenue, allocating it strategically and prudently between:
 - The restoration of any shortfall to targeted ending fund balances,
 - Currently unfunded projects in the strategic plan, and/or
 - Holding some of all of it in reserve during financially volatile periods.
- Permanently stabilize its finances in their entirety (operating budget, reserves, contingencies and ending fund balances) when it perceives a long-term change (increase or decrease) to its available future recurring resources.

Policy BP245: Ending Fund Balance**Adopted 1.14.04; Last Reviewed/Revised 12.18.19**

Lane Community College shall maintain an unrestricted General Fund Ending Fund Balance equal to or greater than 10% of total expenditures and transfers.

The Ending Fund Balance target shall include the Unappropriated Ending Fund Balance (UEFB) as set by board policy BP295. When the Ending Fund Balance falls to 9% or less, the college shall adopt a plan to replenish the Ending Fund Balance to 10% within three years. When the Ending Fund Balance exceeds 11%, 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.

Policy BP250: Financial Integrity**Adopted 5.14.14; Last Reviewed 10.11.18**

Clear financial policies and procedures, regularly reviewed and revised as necessary, are critical to the effective management and operation of the College. The president shall oversee the responsible development and management of all College financial resources, such as financial planning, operating and capital budgets, reserves, investments, fundraising, cash management, debt management, and transfers and borrowings between funds.

Policy BP255: Financial Condition and Activities**Adopted 11.09.98; Last Reviewed/Revised 2.8.18**

With respect to the actual, on-going financial condition and activities, the president shall avoid fiscal jeopardy and assure that actual expenditures reflect board priorities as established in ends policies.

Accordingly, the president shall:

1. Not expend more funds than have been received in the fiscal year to date, except as approved by the board.
2. Not use any long-term reserves that are not budgeted and appropriated for expenditure.
3. Settle payroll and debts in a timely manner.
4. Assure that tax payments or other government-ordered payments or filings be on time and accurately filed.
5. Make no single purchase or commitment of greater than \$100,000 for goods and services contracts, or \$150,000 for public improvements contracts, without board approval, except in extreme emergencies.
6. Acquire, encumber, or dispose of real property only with board approval, except in extreme emergencies.
7. Pursue receivables aggressively after a reasonable grace period.
8. Comply with budget and financial policies contained in Section E.
9. Not contract with the College's independent auditors for non-audit services without prior approval of the Board.
10. Provide the following annual certifications, by the president and by the vice president for college operations, to the Board upon receipt of the audited financial statements:
 - a. He/she has reviewed the annual audit report;
 - b. Based on his/her knowledge, the report does not contain any untrue statement of a material fact or omission of a material fact that makes the financial statements misleading;
 - c. Based on his/her knowledge, the financial statements present in all material respects the financial condition and results of operations.
11. Establish and maintain an adequate internal control structure and procedures for financial operations and reporting

Policy BP260: Financial Planning and Budgeting**Adopted 11.09.98; Last Reviewed/Revised 2.8.18**

Financial planning for any fiscal year or the remaining part of any fiscal year shall reflect the board's end priorities, avoid fiscal jeopardy, and shall be derived from a multi-year plan.

Accordingly, the president shall assure budgeting that:

1. Complies with Oregon Local Budget Law.
2. Contains sufficient information to enable credible projections of resources and expenditures as presented in the Budget Document in accordance with Oregon Local Budget Law.
3. Discloses planning assumptions.
4. Limits expenditures in any fiscal year to conservatively projected resources for that period.
5. Maintains current assets at any time to at least twice current liabilities.
6. Complies with budget and financial policies contained in Section E.

Policy BP265: Financial Reporting**Adopted 3.9.05; Last Reviewed 10.12.17**

Lane's annual audited financial statements shall conform to generally accepted accounting principles. Applicable professional accounting standards and guidance shall be incorporated into Lane's financial statements.

Policy BP270: General Fund Contingency**Adopted 1.14.04; Last Reviewed 5.10.18**Board Contingency:

The annual budget shall set aside approximately one-half% (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% (1%) of the budgeted revenues each year. Administrative Contingency shall be allocated by approval of the president.

Policy BP275: Interfund Loans**Adopted 6.9.04; Last Reviewed 10.12.17**

Loans from one fund to another shall conform to the requirements of ORS 294.460 and be authorized by the Board of Education. Interfund loans may not be from: a Debt Service fund, a Financial Aid fund, employee/retiree benefit funds, or funds legally restricted to specific uses. Repayment of the loan must be budgeted according to an approved schedule and at a stated rate of interest.

The full repayment of interfund loans shall occur no later than:

- Five years from the date of the loan, if the funds are to be used to acquire or improve real or personal property, or
- June 30 of the fiscal year following the year in which the loan was authorized, if the funds are to be used for operating purposes.

Policy BP280: Interfund Transfers**Adopted 1.14.04; Last Reviewed 5.10.18**

All transfers between funds shall be in conformance with ORS 294.361. The Budget Document shall clearly show for each fund the amounts, origin and destination of each transfer. Accompanying documentation shall list the specific purposes for each transfer and will be submitted to the board for approval in initial budget or subsequent resolution.

Transfers from the General Fund to other funds shall be for the following purposes:

- Debt service on an obligation incurred as a part of normal operations of the college;
- Goods and services provided to General Fund units by units in other funds;
- Construction, maintenance and acquisition of facilities and/or real property used by the college in support of its mission;
- Acquisition of capital equipment for use by the college in support of its mission;
- Matching funds for grants and contracts;
- Operation of certain financial aid functions and matching funds required for financial aid grants;
- Contractual and legal obligations to employees and retirees for compensation and benefits;
- Other needs as deemed appropriate and necessary to the board for fulfilling the obligations of the college.

Policy BP285: Purchasing Procedure**Adopted 11.09.98; Last Reviewed 6.13.19**

All procurement on behalf of the college shall be executed in accordance with the requirements of Oregon Revised Statute Chapters 279A, 279B and 279C, the Oregon Community College Rules of Procurement (“CCRP”), and Oregon Administrative Rules 125 (OAR 125) and Lane Community College online Policies and Procedures.

Where federal procurement regulations apply and are more restrictive than the state regulations, the federal regulations shall prevail.

Pursuant to ORS 279A.065(5), the Oregon Attorney General’s Model Rules (OAR 137) do not apply to Lane Community College except those portions of the Oregon Attorney General’s Model Rules that have been expressly identified in Section 300, Appendix A, of the CCRP.

The CCRP shall prevail over the provisions in OAR 125 where topics are not addressed in the CCRP, the rules OAR 125 shall remain in force.

Policy BP290: Stabilization Reserve Fund**Adopted 1.14.04; Last Reviewed 5.10.18**

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 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.

Policy BP295: Unappropriated Ending Fund Balance**Adopted 1.14.04; Last Reviewed 10.11.18**

The president shall assure budgeting that maintains the estimate of unappropriated ending fund balance at no less than three% of the general fund operational expenditure budget.

Policy BP315: Borrowing**Adopted 11.09.98; Last Reviewed 12.13.18**

The board may authorize borrowing for the college, in compliance with state laws, by resolution stating the upper limit to be obligated at any one time. The president or designee may initiate emergency borrowing prior to board approval should a quorum of the board not be available to authorize borrowing.

Policy BP340: Contractual Authority**Adopted 11.09.98; Last Reviewed/Revised 5.16.19**

Only the president, or formally designated representatives, may commit the college to financial obligations or contractual agreements. No obligation may be incurred unless sufficient funds have been appropriated by the board. An obligation extending beyond the current fiscal year may be entered into as long as obligations in future fiscal years are made subject to the appropriation of lawfully available funds by the board of education. Any contract entered into in violation of this policy is void as to the college.

All contracts of \$150,000 or greater must be approved for award by the board of education. The president is authorized by the board to enter into contractual agreements on behalf of the college up to a total dollar value of less than \$150,000. The president may delegate the president's authority to college staff.

Notwithstanding the dollar limits specified in this policy, the president shall act for, and provide annual reports to, the board regarding the execution and administration of all instruments, business affairs, and operations relating to:

- Acquisition of electricity, natural gas, sewer, water, and all other utility services.
- The acquisition of fixtures, equipment and furnishings that are included in capital project budgets that have been authorized by the board.
- The settlement of claims or lawsuits brought against the college that are substantially covered by insurance.
- The protection of the college's interests, property and operations in an emergency.
- The execution of instruments or the conduct of business affairs where approval by the board is impractical due to time or other constraints.

The Lane Community College Board of Education shall be the college's Local Contract Review Board as defined in ORS 279A.060.

Policy BP715: Mandatory Student Activity Fees**Adopted 11.9.98; Last Reviewed/Revised 2.19.21**

The board may approve an assessment of mandatory fees for programs or activities that it determines provide educational value to the students consistent with the college mission and goals. The board will approve the mandatory fee on an annual basis to ensure that the programs or activities maintain educational value to students.

Programs that use funds generated through the mandatory fee must further the following guiding principles:

1. Improve the overall quality of the campus experience from the students' perspective;
2. Increase opportunities for student involvement and leadership in the educational process through extra-curricular activities and support services;
3. Enhance the appropriate out-of-class services and programs at the campuses based on the unique needs of Lane students.

The mandatory fee enhances student life and the overall student experience by maximizing opportunities for out-of-class experiences that build on classroom education and connect to the larger world and improving the educational climate by offering programs and activities.

The President will establish a Mandatory Fee Committee by October 30 of each year to advise the administration on ongoing and emerging student needs. The voting members of the mandatory student fee committee will be composed of both elected students and students appointed from student groups and organizations at the college. At the discretion of the president, administrative staff appointed to the committee will serve in a support role and as non-voting members. An annual report from the Mandatory Fee Committee will be submitted by the President to the Board before budget decisions are finalized for the next year. All appropriations in relation to this fee must be viewpoint neutral. All changes to the mandatory fee remain in the sole discretion of the Board.

Policy BP725: Tuition**Adopted 11.13.02; Last Reviewed/Revised 2.8.18**

Research in community colleges broadly and experience at Lane has shown that implementing a single large increase in tuition in one year because tuition has not kept pace with inflation has a significant adverse effect on student enrollment in the next academic year.

In order to maintain a constant tuition rate relative to inflation, each year, the board may consider an appropriate index for two-year public colleges on which to discuss a tuition increase. Each year, the board may adjust the per credit tuition rate to reflect the needs of the college. The rate will be rounded to the nearest half-dollar and become effective the following academic year (Summer Term).

For other adjustments:

Each year, the board will review Lane's tuition rates to ensure: a) that tuition revenues are appropriate for the needs of the district, b) that Lane's tuition is comparable with other Oregon community colleges that are similar to Lane in terms of student FTE and instructional programs, c) access and affordability, and d) the revenue requirements of the college.

Should the board conclude that increases above the selected index are required, the board will assure that there are college-wide opportunities, particularly with students, to engage in discussions about the impact of tuition increases on access, affordability and course offerings. Should the board conclude that tuition should be reduced, the board will similarly assure that there are opportunities to engage in college-wide discussions about the impact on course offerings, access and affordability.

Policy OCCA BP2435: Evaluation of the President**Adopted 5.19.2021; Last Reviewed 5.19.21**

The Board of Education shall conduct an evaluation of the President at least annually. Such evaluation shall comply with any requirements set forth in the contract of employment with the President as well as this policy.

The Board of Education shall evaluate the President using an evaluation process the Board of Education and the President jointly to and develop.

The criteria for evaluation shall be based on Board of Education policy, the President's job description, performance goals and objectives to Lane Community College's commitment to diversity, equity, and inclusion, and performance goals/objectives developed in accordance with board policies of Lane Community College.

College Policy Statement on Affirmative Action and Equal Employment

It is the policy of Lane Community College to provide equal employment opportunity to all qualified persons and to prohibit discrimination in employment on the basis of race, color, national origin, sex, marital status, family relationship, sexual orientation, age, pregnancy, mental or physical disability, religion, veteran status, expunged juvenile record, parental or family medical leave, application for Workers Compensation, whistle blowing, association with a member of a protected class and all other federal, state and local protected classes.

It is also the policy of the College to take affirmative action to recruit and to employ members of protected groups. Under Federal Executive Order 11246 as amended, protected minority groups are defined as African Americans, Asian Americans, Hispanic Americans and Native Americans. All women are designated a protected group. The protected groups are those groups of persons who have historically been most disadvantaged by discriminatory practices, including practices formerly sanctioned by law.

The affirmative action and equal opportunity clause of this policy requires that applicants be hired and employees be treated during employment without regard to race, color, national origin, sex, marital status, family relationship, sexual orientation, age, pregnancy, mental or physical disability, religion, veteran status, expunged juvenile record, parental or family medical leave, application for Workers Compensation, whistle blowing, association with a member of a protected class and all other federal, state and local protected classes.

The affirmative action and equal opportunity clause applies to all employment actions including but not limited to recruitment, appointment, reappointment, promotion, transfer, demotion, termination, compensation, benefits, layoff and training. Furthermore, the policy applies to all executive, academic, administrative employees and to full-time, part-time, temporary, probationary and permanent employees as well as those with appointments in self-support programs. This policy conforms to federal and state laws and to the equal employment and affirmative action policy of the Board of Education of Lane Community College.

Accrual Basis Accounting: A system of accounting based on the accrual principal under which revenue is recognized when earned and expenses are recognized when incurred.

Ad Valorem Tax: A property tax computed as a percentage of the value of taxable property.

Administrative Contingency: General Fund contingency consisting of approximately one% of budgeted revenues to be used at the discretion of the president and Executive Team.

Administrative Recovery: Revenue generated from College enterprise funds, grants and contracts to cover General Fund administrative and overhead costs.

Adopted Budget: The total spending level for the year based on estimates that have been set by the Board of Education.

Appropriation: Based on the adopted budget, an authorization from the Board of Education to make expenditures and incur obligations for specific purposes. The appropriation is limited to a single fiscal year.

Approved Budget: The budget that has been approved by the Budget Committee and sent to the Board of Education for adoption.

Assessed Value: Valuation set on real estate or personal property by the Property Appraiser as a basis for levying taxes.

Balanced Budget: A budget whereby operating expenditures do not exceed resources.

Beginning Fund Balance: The amount remaining after accounting for the previous year's revenues less the previous year's expenditures.

Biennium: A two-year [budget] period.

Board Contingency: General Fund contingency consisting of approximately one-half% of budgeted revenues to be used at the discretion of the Board of Education.

Board of Education: Committee of seven elected unpaid citizens whose primary authority is to establish policies governing the operation of the College and to adopt the College annual budget.

Bond: A debt investment with which the investor loans money to an entity (company or government) that borrows the funds for a defined period of time at a specified interest rate.

Budget: A written report showing a comprehensive financial plan for one fiscal year.

Budget Committee: The fiscal planning board consisting of the Board of Education plus an equal number of citizens at large from the College District.

Budget Message: An explanation of the budget and financial priorities presented in writing by the Budget Officer as part of the budget document.

Budget Officer: Person appointed by the Board of Education to oversee the budget process.

Budget Transfer: Amounts moved from one fund to finance activities in another fund. They are shown as expenditures in the originating fund and revenues in the receiving fund.

Capital Assets Replacement Plan: Revolving seven-year plan established by the Board of Education in fiscal year 2004 to schedule the replacement of capital assets based upon the Capital Asset Acquisition Schedule.

Capital Expenditure: An expenditure for a single item with cost exceeding \$10,000 and an estimated useful life of three or more years.

Capital Outlay: An expenditure category that includes acquisition of land, buildings, improvements, machinery and equipment.

Capital Projects Fund (IV): Budget fund used for the acquisition of land, new construction, major remodeling projects and major equipment purchases.

Capital Reserve Fund: A separate fund within the Capital Projects Fund IV used for planned and unplanned maintenance, repair and replacement of capital and technological equipment.

Cash Basis: System of accounting under which revenues are accounted for only when received in cash and expenditures are accounted for only when paid.

College Council: The College's main planning and policy body.

College District: The College's service area which encompasses a 5,000 square mile area in Lane County and parts of Linn, Douglas and Benton Counties.

College Support Services: Expense function covering activities that support the ongoing operations of the College excluding physical plant operations.

Community Services: Expense function covering non-instructional activities provided to external groups.

Consumer Price Index: A measure estimating the average price of consumer goods and services purchased by households.

Current Budget: In financial tables, the “Current Budget” is the current year budget plus any additional supplemental budgets.

Debt Service: An expenditure category for repayment of principle and interest on bonds, interest-bearing warrants and short-term loans.

Debt Service Fund (III): Budget fund for accounting for general long-term debt, principal and interest.

Deferred Maintenance: The practice of postponing maintenance activities such as repairs on both real property (i.e. infrastructure) and personal property (i.e. machinery) in order to save costs, meet budget funding levels or realign available budget monies.

Differential Pricing: Additional fees based on class clock hours for certain Career and Technical courses.

Ending Fund Balance: The beginning fund balance plus current year revenues less current year expenditures.

Enterprise Fund (VI): Budget fund for activities that furnish goods or services to students, staff or the public for which charges or fees are assessed that are directly related to the cost of the good or service provided.

Executive Team: The College’s administrative leadership team comprised of the President, Vice President(s), Chief Officers and Deans.

Expenditure: An amount of money, cash or checks, actually paid or obligated for payment due to the purchase of goods and services, the payment of salaries and benefits and the payment of debt service.

Fees (Non-Instructional): Revenue generated from assessing students for non-instructional expenses.

Financial Aid: Expense function for student loans, grants and stipends.

Financial Aid Fund (V): Budget fund used for the provision of grants, stipends and other aid to enrolled students.

Fiscal Year: The twelve-month financial period used by the College that begins July 1 and ends June 30.

Full-Time Equivalent (FTE): The equivalent of a full-time employee or student. For example, two half-time employees equal one FTE employee.

Fund: A division in the budget segregating independent fiscal and accounting requirements.

Fund Balance: The excess of a fund's revenues over expenditures.

Fund Type: One of nine fund types: General, Special Revenue, Debt Service, Capital Projects, Special Assignment, Enterprise, Internal Service, Trust and Reserve.

General Fund (I): The primary operating fund of the College that includes activities directly related to the College's basic educational objectives.

Generally Accepted Accounting Principles (GAAP): A widely accepted set of rules, conventions, standards and procedures for reporting financial information as established by the Financial Accounting Standards Board.

Government Finance Officers Association (GFOA): The professional association of state/provincial and local finance officers in the United States and Canada.

Governmental Funds: Funds generally used to account for tax-supported activities. There are five different types of governmental funds. LCC's governmental funds include the General, Special Revenue, Debt Service and Capital Projects Funds.

Grant: A donation or contribution in cash by one governmental unit to another which may be made to support a specified purpose, function or general purpose.

Higher Education Price Index (HEPI): Inflation index designed specifically for higher education. A more accurate economic indicator for colleges and universities than the Consumer Price Index.

Instruction: Expense function covering all activities related to instructional programs.

Instructional Fees: Revenue generated by assessing students for course-related expenses.

Instructional Support: Expense function covering activities that provide integral support services to instructional programs.

Interest Income: Revenue generated from investment of operating capital in excess of daily requirements.

Interfund Transfer: An amount to be given as a resource to another fund in the budget.

Intergovernmental [Resource]: Total public resources that include State and Federal funds and local property taxes.

Internal Service Fund (II): Budget fund for functions that exist primarily to provide goods and services to other instructional and administrative units of the College.

Local Option Tax: Voter-approved taxing authority that is in addition to the taxes generated by the permanent tax rate. Local option taxes can be for general operations, a specific purpose or capital projects. It is limited to five years unless it is for a capital project, then it is limited to the useful life of the project or 10 years, whichever is less.

Measure 5: A constitutional amendment (Art. XI, section 11b) passed in 1990 that limits the amount of operating tax that can be imposed on a property to \$5 per \$1,000 of real market value for education and \$10 per \$1,000 for general government.

Measure 50: A constitutional amendment (Art. XI, section 11) passed in 1997 that limits the growth in a property's assessed value to 3% per year. It also limits a local government's taxing authority by creating permanent rate limits.

Mandatory Adjustments: Adjustments for expenditures that are primarily beyond the control of the College such as facilities leases, utilities, insurance premiums and maintenance contracts.

Material and Services (M&S): An expenditure category that includes contractual and other services, materials, supplies and other charges.

Modified Accrual Basis: Basis of accounting under which revenues are recorded when they become measurable and available. Expenditures are recorded when the liability is incurred, except for interest on general long-term obligations, which is recorded when due.

Non-Recurring Resources: Resources (revenues) that are not part of an annual revenue stream to include: fund balances, reserves, one-time grants and awards and special allocations.

Object Classification: A grouping of expenditures such as personnel services, material and services, capital outlay, debt services and other types of requirements.

Operating Rate: The rate determined by dividing the local government's operating tax amount by the estimated assessed value of the local government. This rate is needed when a local government wants to impose less tax than its permanent rate will raise.

Oregon Administrative Rules (OAR): A compilation of rules and regulations that apply, in the same manner as a law, to state agencies in Oregon.

Oregon Public Employees Retirement System (PERS): Retirement system provided by the State of Oregon for all public employees.

Oregon Revised Statutes (ORS): The codified laws of the State of Oregon. The ORS is published every two years to incorporate each legislative session's new laws.

Other Payroll Expenses (OPE): An expense classification that includes the costs of payroll taxes, PERS, medical insurance and other fringe benefits and payroll-related items accruing to an employee.

Other Resources: Revenue generated from various activities such as finance charges, sale of equipment, enforcement fees and other nominal, one-time miscellaneous amounts.

Personnel Services Expenses: Expenses related to the compensation of employees such as health and accident insurance premiums, Social Security and retirement contributions and civil service assessments.

Plant Additions: Expense function for land, land improvement, buildings and major remodeling and renovation that is not a part of normal plant operation and maintenance.

Plant Operations and Maintenance: Expense function covering the operation and maintenance of the physical plant including grounds, facilities, utilities and property insurance.

Proposed Budget: Financial and operating plan prepared by the Budget Officer and submitted to the public and Budget Committee for review.

Requirement: A use of funds or expenditure.

Resolution: An order of the Board of Education.

Resources: Estimated beginning fund balances on hand plus all anticipated revenues and transfers.

Revenue: Monies received or anticipated.

Salary Provision Budget: A contingency budget used to cover employee compensation increases during the year.

Sale of Goods and Services: Revenue generated from the College's enterprise and special revenue activities.

Special Revenue Fund (VIII): Budget fund that accounts for revenues that are legally restricted to expenditures for specific purposes such as federal grants and contracts.

Special Revenue – Administratively Restricted Fund (IX): Budget fund for programs where monies are administratively restricted. Activities recorded in this fund generate revenue primarily through specifically-assessed tuition and fees or through other revenue-generating activities.

Stabilization Reserve Fund: A separate fund established at the request of the Board of Education for the purpose of providing short-term stabilization in anticipation of possible shortfalls in revenue.

Student Services: Expense function covering activities to support students' success and development.

Supplemental Budget: Most often required when new appropriation authority is needed, a supplemental budget is usually associated with the expenditure of new appropriations and increased revenues.

Tax Rate: The amount of tax stated in terms of a unit of tax for each \$1,000 of assessed value of taxable property.

Tax Year: The fiscal year from July 1 through June 30.

Total Public Resources: Revenue received from State funding as appropriated by the legislature and local property taxes as assessed by the counties.

Transfers Out: An expenditure category that includes resource funding for specific purposes.

Tuition: Revenue generated by assessing students per-credit-hour rates.

Unappropriated Ending Fund Balance (UEFB): Amount set aside in the budget to be carried over to the next year's budget. It provides the College with cash until tax money or other revenues are received later in the year. This amount cannot be transferred by resolution or used through a supplemental budget unless necessitated by a qualifying emergency.

Unfunded Actuarial Liability (UAL): Amount PERS has determined to be owed by participating governments to fully fund the retirement system.

AAC&U	American Association of Colleges and Universities
AACC	American Association of Community Colleges
AAOT	Associate of Arts Oregon Transfer (degree)
AASHE	Association for the Advancement of Sustainability in Higher Education
AAWCC	American Association of Women in Community Colleges
ABSE	Adult Basic Skills and Secondary Education
ACCT	Association of Community College Trustees
AFT	American Federation of Teachers
APPA	Leadership in Educational Facilities
ASLCCSG	Associated Students of LCC Student Government
ATC	Academic Technology Center
ARPA	American Rescue Plan Act
CARES	Coronavirus Aid, Relief, and Economic Security Act
CARF	Capital Assets Replacement Forecast
CCBO	Community College Business Officers
CCSF	Community College Support Fund
CCWD	Community Colleges and Workforce Development (Department of)
CES	Career Employment Services
CEU	Continuing Education Unit
CML	Center for Meeting and Learning
COLA	Cost of Living Adjustment
CO-OP	Cooperative Education
CPI	Consumer Price Index
CRRSAA	Coronavirus Response and Relief Supplemental Appropriations Act
CSL	Current Service Level
ERB	Employee Relations Board
ESD	Education Service District

ESL	English as a Second Language
FASB	Financial Accounting Standards Board
FERPA	Family Educational Rights and Privacy Act
FMP	Facilities Management and Planning Department
FTE	Full-time equivalency
FWS	Federal Work Study
FY	Fiscal Year (FY21 = Fiscal Year 21)
GAAP	Generally Accepted Accounting Principles
GASB	Governmental Accounting Standards Board
GDP	Gross Domestic Product
GED	General Education Development
GFOA	Government Finance Officers Association
HEERF	Higher Education Emergency Relief Fund
HEA	Higher Education Act
HEPI	Higher Education Price Index
IESL	International (student) English as a Second Language
IR	Institutional Research
KLCC	LCC's award-winning radio station: 89.7 FM
LASR	Lane Administrative Systems Renewal (Project)
LCC	Lane Community College
LCCEA	LCC Education Association (Union - Classified)
LCCEF	LCC Employees Federation (Union - Faculty)
LEED	Leadership in and Environment Design
LRFP	Long Range Financial Plan
LTD	Lane Transit District
NACUBO	National Association of College and University Business Officers
NEA	National Education Association
NWAACC	Northwest Athletic Association of Community Colleges
OAR	Oregon Administrative Rule
OATC	Oregon Advanced Technology Consortium
OCCA	Oregon Community College Association

OCCSA	Oregon Community College Students Association
ODE	Oregon Department of Education
ODOE	Oregon Department of Energy
OEA	Oregon Education Association
ONE	Oregon Network for Education
OPE	Other Payroll Expenses
ORS	Oregon Revised Statutes
OSA	Oregon Student Association
OSAC	Oregon Student Assistance Commission
OSBA	Oregon School Boards Association
OSBDCN	Oregon Small Business Development Center Network
OSEA	Oregon School Employees Association
PERS	Public Employee Retirement System
RTEC	Regional Technology in Education Consortium
SBDC	Small Business Development Center
SBE	State Board of Education
STEM	Science, Technology, Engineering and Math
UEFB	Unappropriated Ending Fund Balance
UAL	Unfunded Actuarial Liability



Lane Community College
Budget Office
4000 East 30th Avenue
Eugene, Oregon 97405

541.463.5107
budgetoffice@lanecc.edu

