

Lane Community College FY2016-2017 Budget Committee

Responses to Committee Questions and Information Requests

May 25, 2016

1. *Please provide additional information about enrollment trends, factors that impact enrollment, and strategies the college is employing to improve enrollment levels.*

The following information was presented to the Board of Education on February 3, 2016:

Trends Analysis of Higher Education Enrollment Declines

The recent declines in overall student enrollment pose financial implications to higher education institutions with regard to short-term revenues and long-term viability. In response, in 2015, Lane developed a Strategic Enrollment Management (SEM) plan <https://blogs.lanecollege.edu/strategicenrollmentmanagement/info/sem-plan/>. We expect to see measurable improvements in new student enrollment, student retention, and student goal attainment in future years as a result of this plan combined with strategic planning and Achieving the Dream efforts.

2015-2016 SEM Initiatives:

- Assess effectiveness of recruitment and enrollment processes
- Promote reverse transfer
- Implement first term and returning student enrollment communication plan
- Decrease transcript evaluation time for prior college students
- Recruit new athlete scholars in men's soccer and women's volleyball
- Create an Office for Admissions and Recruitment
- Develop a series of relational touch points for first year students
- Implement academic planning for first year students
- Explore early academic performance alert systems and a student response team
- Plan and implement targeted marketing and recruitment campaigns
- Conduct a RFP process for customer relationship management systems (CRM)

Lane Community College enrollment trends over the past five years with the FY16 estimate:

Year	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16
FTE	15,424	15,445	14,018	12,312	10,466	9,315
%(+/-)	3.1%	.1%	-9.2%	-12.2%	-15%	-11%
Compared to FY12	-.1%	0%	-9.2%	-20.3%	-32.2%	-39.7%

As of May 2016, the college is projecting an 11% enrollment decline, 9,315 FTE for the current year. This approximates the FY95 enrollment FTE of 9,328.

Factors that may be or are contributing to the enrollment decline include:

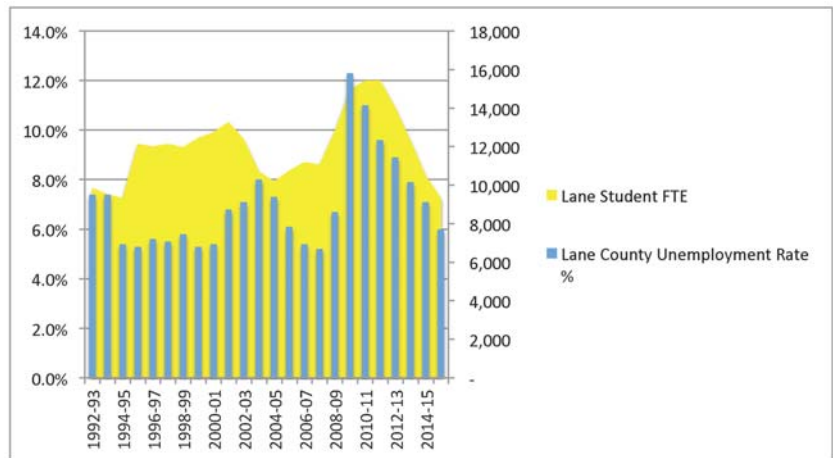
- Mounting student loan debt
- Changes in Pell Grant and Stafford Loan awards (impacts to qualification, amount, and length of grant)
- Decreasing high school graduation rates
- Perception of declining dollar value for a college degree
- Increasing market saturation for degree-holders
- Under-prepared graduates for the ever-changing job market
- Rising cost of tuition
- Evolving for-profit education sector
- Flattening state support for public institutions
- Improving economy and job market

Strategies to mitigate this decline include:

- Implementing our Strategic Enrollment Management (SEM) plan
- Exploring strategic growth opportunities in career technical programs with strong student demand potential and employment opportunities
- Increase access and analysis of data to understand and address issues and opportunities

Unemployment vs Enrollment

YEAR	Lane Student FTE	Lane County Unemployment Rate
		%
1992-93	9,843	7.4%
1993-94	9,536	7.4%
1994-95	9,328	5.4%
1995-96	12,142	5.3%
1996-97	12,007	5.6%
1997-98	12,149	5.5%
1998-99	11,968	5.8%
1999-00	12,449	5.3%
2000-01	12,760	5.4%
2001-02	13,265	6.8%
2002-03	12,364	7.1%
2003-04	10,704	8.0%
2004-05	10,179	7.3%
2005-06	10,743	6.1%
2006-07	11,194	5.4%
2007-08	11,069	5.2%
2008-09	12,824	6.7%
2009-10	14,964	12.3%
2010-11	15,424	11.0%
2011-12	15,445	9.6%
2012-13	14,018	8.9%
2013-14	12,312	7.9%
2014-15	10,466	7.1%
2015-16	9,315	6.0%



As this graph illustrates there is a strong correlation between unemployment and enrollment. After a period of relatively stable unemployment in the mid to late 90's, Lane's enrollment went up as unemployment rates climbed and declined as unemployment rates dropped. The correlation is especially dramatic from FY09 to present; during the great recession and subsequent economic recovery.

2. Please provide guidance about the Budget Committee's ability to provide recommendations for board consideration in future budget years (e.g. recommendations for FY18 should IP28: A Better Oregon pass.)

Nothing in Oregon budget law prevents the Budget Committee from making a recommendation for FY18 or beyond.

3. Please provide additional information about the impact of existing budget reductions on workload, class sizes, and student success.

All departments and divisions have been engaged in reductions in part-time budgets, materials and services, filling contracted vacancies and program/service reductions or eliminations over the past several years.

The effects of these reductions are real and have impact on our students and our employees. Impacts to students include reduced selection of time and day for class sections, reduced choice, and reduced access to services.

Class sizes of our most popular courses have been increased by up to 4 students to accommodate attrition in the first couple of weeks and to improve efficiency of offerings. Workloads for a number of faculty and staff have increased because of the increased class size and the non-filling of positions in a number of service areas.

Even with lean budgets, we have systems in place that enable deans to add sections as needed to accommodate demand. During the current year, we added approximately \$700,000 from contingency funds to department budgets in response to student demand. We're also encouraging departments to increase efficiency through administrative restructuring, leveraging technology, and thinking differently about how they approach their work.

4. If tuition isn't raised to keep pace with inflation, will student fees be increased to maintain current service and activity levels?

With the exception of course fees, student fees are approved by the Board of Education. A list of current credit student fees is published on the budget website https://www.lanec.edu/sites/default/files/budget/credit_student_fees.pdf.

Course fees are established independently of tuition. In order to increase course fees, departments must go through a rigorous approval process, which includes executive dean, vice-president, and president approval.

Academic and Student Affairs (ASA) requires an acceptable rationale for any special fees to recover costs which are not covered by general funds.

- I. Special fees shall provide direct benefit to the student which is not received in other non-fee classes, such as:
 - a. Departmentally produced text materials in lieu of or in addition to a student-purchased textbook; or
 - b. Food consumed in cooking classes, field trip transportation costs, equipment loss or breakage, theater tickets purchased in bulk and resold to students, and some rental fees.

- II. Special fees may cover customary materials and services costs where inflation exceeds fiscal resources.
- III. Special fees may cover extraordinary expenses not supported by the general fund and far in excess of tuition revenues (e.g., flight fees in Flight Technology program).

All other student fees are approved by the Board of Education.

5. *If the HEPI is applied for FY17, generating an additional \$758,000, will any programs or services be saved?*

If the HEPI is applied for FY17, there will be more fund balance available to maintain current service levels. Due to the potential severity of the deficit for FY18 (up to \$9M) and the lack of clarity around state funding levels, there will be definite challenges in maintaining current service levels. With the application of the HEPI in FY17 and its compounding effect into subsequent years, budget cuts will be mitigated by up to \$2.3M over the next three years.

6. *Please provide student comments to the Board of Education from the April 13, 2016 meeting.*

From the April 13, 2016 Board of Education Meeting Minutes
Statements from the Audience:

Eben Yemoh, student, urged the board not to raise tuition

Mariana Paredones, Oregon Student Association Coalition co-chair and Higher Education Coordinating Commission student appointee, urged the board not to raise tuition

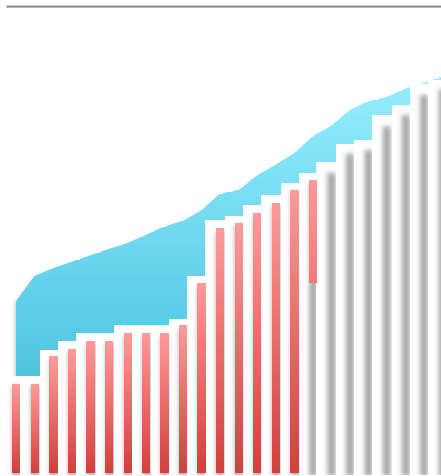
Maria Dresser, student, ASLCC vice president, urged the board not to raise tuition

Shawn Goddard, ASLCC Multicultural Program Coordinator, spoke in favor of a tuition increase

7. Please provide a multi-year summary of tuition increases and chart these against the HEPI.

Tuition vs HEPI Index Value

YEAR	Lane Tuition Rate	HEPI
	Per Credit Hour	Index Value
	\$	(Base: 1983 = 100)
1992-93	23.00	129.4
1993-94	23.00	148.2
1994-95	30.00	153.5
1995-96	32.00	157.9
1996-97	34.00	163.3
1997-98	34.00	168.1
1998-99	36.00	173.0
1999-00	36.00	178.4
2000-01	36.00	184.7
2001-02	38.00	189.1
2002-03	49.00	196.9
2003-04	63.00	208.7
2004-05	64.50	212.7
2005-06	67.00	223.5
2006-07	69.50	231.7
2007-08	73.00	240.8
2008-09	75.50	253.1
2009-10	78.00	260.3
2010-11	83.00	273.2
2011-12	84.00	279.3
2012-13	90.00	281.8
2013-14	93.00	288.4
2014-15	98.00	293.2
2015-16	99.50	297.8



There is a close correlation with Lane's tuition rate and the Higher Education Price Index (HEPI) since the Board tied the tuition rate to the HEPI in 2002.