

A photograph of a modern, multi-story building with a prominent concrete and glass facade. The building has several large, multi-paned windows and a series of cantilevered upper levels. In the foreground, a wide set of concrete steps leads up to the building, with small, warm-toned lights embedded in the steps. A person is walking up the steps. A blue banner is visible near the entrance, and a "Lane Store" sign is on the right side of the building.

**BUDGET DOCUMENT**  
**FISCAL YEAR 2016-2017**



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished  
Budget Presentation  
Award*

PRESENTED TO

**Lane Community College**

**Oregon**

For the Fiscal Year Beginning

**July 1, 2015**

Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to Lane Community College, Oregon for its annual budget for the fiscal year beginning July 1, 2015. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan and as a communications device. This is the 11<sup>th</sup> consecutive year the college's budget document has earned this prestigious award.

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**BUDGET MESSAGE**  
**FISCAL YEAR 2016-17**  
Presented May 11, 2016

Board of Education, Citizen Members of the Budget Committee, President Spilde, Colleagues, and Lane Community College District Members:

It is my honor to present the proposed fiscal year 2016-2017 budget for Lane Community College. The total proposed annual budget is \$235,358,819. The proposed general fund budget totals \$90,802,078.

Lane’s budget reflects the prioritization and allocation of resources to support the college’s vision, mission and core themes:

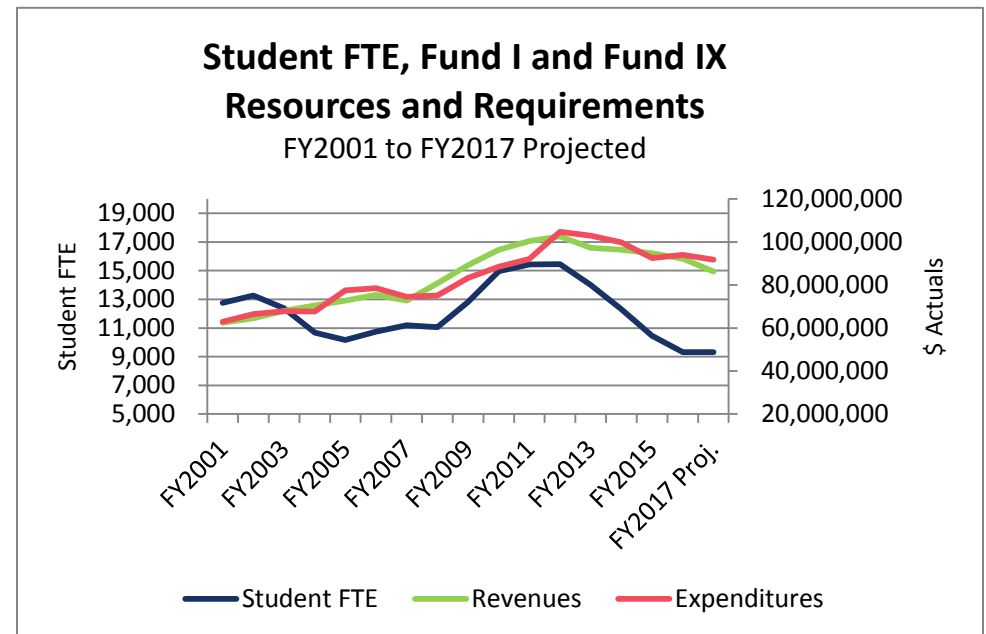
Vision: Transforming lives through learning.

Mission: Lane is the community’s college; we provide comprehensive, accessible, quality, learning-centered educational opportunities that promote student success.

Core Themes: Responsive community engagement, accessible and equitable learning opportunities, quality educational environment, and individual student achievement.

In preparing the proposed budget, revenue and expenditure forecasts are developed within the context of the current economic environment. Employment rates are closely correlated with enrollment, and the college is experiencing a 25-year low in enrollment at the same time the state of Oregon is reporting a 40-year low in its unemployment rate<sup>1</sup>.

The improving economy presents a mixed revenue picture for the college, with enrollment declines presenting a negative revenue impact, while property tax revenue and state support would be expected to increase. With Oregon 46<sup>th</sup> in the nation in higher education funding and an impending \$800 million increase in employer contributions to the Public Employees Retirement System (PERS) starting July 2017 and even larger increases in 2019 and 2021 the state will be challenged to make needed investments into community colleges.



<sup>1</sup> State of Oregon Employment Department, March 2016

## Economic Environment

Community College Support Fund (CCSF) state funding for the 2015-2017 biennium is \$550 million; however, Lane's enrollment declines have been sharper than the other sixteen community colleges which reduces its percentage allocation. The proposed budget assumes a 9.7 percent share of the CCSF as compared to a high of 13.35 percent in fiscal year 2012-2013, resulting in a \$4.1 million decrease in state revenues year over year.

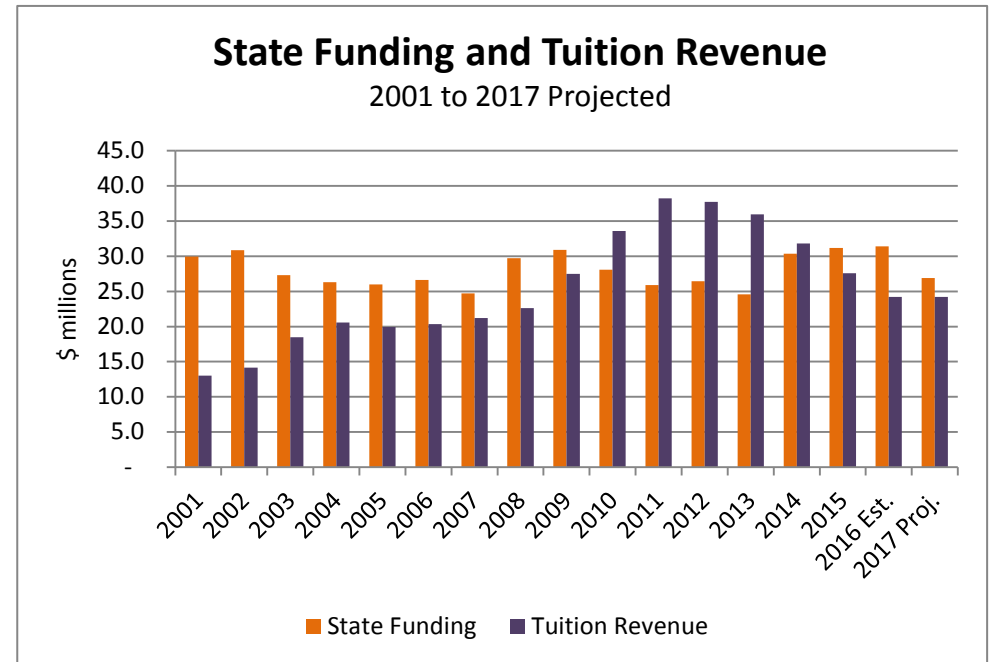
The proposed general fund budget does not include an inflationary adjustment for tuition and differential fees [Board Policy 725], which would have generated approximately \$758,000 in revenue in FY2017, compounded to \$2.27 million over the biennium.

As a result, in addition to utilization of the \$2.37 million financial stabilization reserve established in 2015 an additional \$3.5 million of ending fund balance is used to balance the general fund budget.

This utilization of \$5.9 million of one-time fund balance resources leaves the ending fund balance at an estimated \$5.6 million on July 1, 2017, which is 6.9 percent of general fund expenditures and transfers. As required by Board Policy 245, when the college's ending fund balance falls to 9 percent or less, the college needs to adopt a plan to replenish the ending fund balance to 10 percent within two years. An adequate fund balance is necessary to provide cash for first quarter payroll and operations, allow for emergency or unexpected events, support the college's overall financial position and bond rating, and to prevent the need for costly short-term borrowing.

The FY2018 budget process will be doubly challenging as the college will need to find \$5.9 million recurring revenue and/or expense reductions to replace the one-time funds used in FY2017 and also work towards replenishment of the ending fund balance to the 10% policy requirement.

Although Lane is experiencing a decline from enrollment gains at the height of the recession, the need for our services remains strong as we continue to serve over 9,000 full time equivalent students seeking academic transfer, career technical education, foundational skills and lifelong learning opportunities. Our goals of providing affordable, accessible and comprehensive educational opportunities, maintaining adequate compensation and benefits for employees, and meeting essential operating requirements of the college are not attainable without additional revenue.



Planning for unknown future investment by the state requires strategic tradeoffs and choices such as increasing tuition and fee revenue, maintaining service levels at lower cost, downsizing the college and subsequently reducing opportunities available to students, or some combination therein.

**General Fund Budget for Fiscal Year 2016-2017**

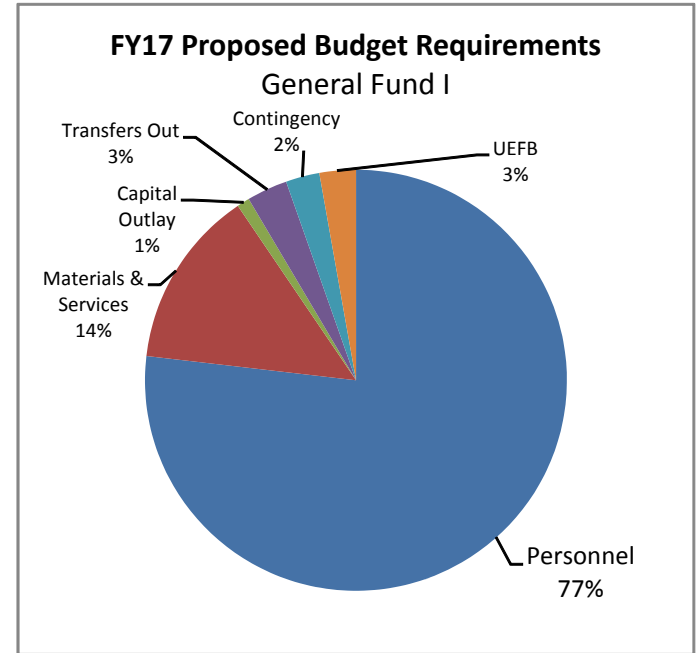
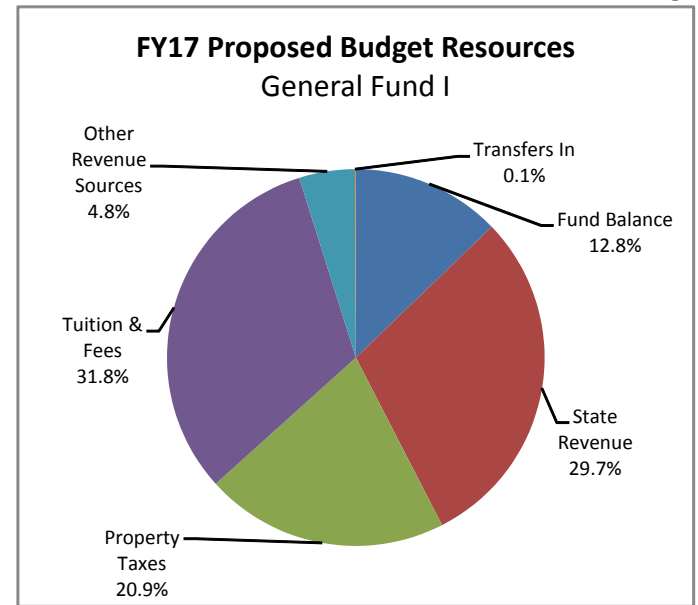
This budget reflects the reality of a forced transition from public funding to a combination of public and private funding sources. Expenses must be firmly linked to and limited by revenue to provide a financially sustainable model for the reliable and comprehensive access to education to meet our community needs.

The general fund and administratively restricted fund proposed budgets are balanced based upon holding vacant positions open, an early separation incentive for contracted classified employees; additional reductions in part-time faculty, staff, and materials and services, a provision for salary adjustments and one-time use of ending fund balance.

The proposed general fund budget for 2016-2017 is \$90,802,078, a 2 percent decrease from the 2015-2016 budget. Budgeted tuition and fee revenues are \$28 million, reflecting the same amount in 2015-16 budget and projected flat enrollment. State revenue decreased 13 percent, year-over-year, from \$31 million to \$26.9 million.

Even with the reductions in part-time faculty and staff and savings realized from holding vacant positions open, personnel services continue to constitute the majority of the general fund budget, approximately 77 percent as proposed.

The proposed budget for the special revenue administratively restricted fund is \$19,422,215. This reflects continued efficiencies and restructuring work done with our Flight Technology Program, Child Development Center, Continuing Education, Business Development Center, and Specialized Support Services. Budget projections used for budget development combine the General Fund I and Fund IX.



## New Additions for the Budget Document

The depth and scope our budget document has once again been acknowledged by the Government Finance Officers Association (GFOA) by the College being awarded the Distinguished Budget Award for the eleventh straight year. In an effort to continue to increase the usefulness of the document the College has included the following reports:

- Operating (general fund and administratively restricted fund) Budget Assumptions
- Challenges and Considerations for the Next Biennium
- Major Revenue Sources and Forecasting Methodology
- Change in Fund Balance
- Capital Budget
- Description of Long Term Debt Obligations

## Additional Important Information

This Budget Document is consistent with the budget laws of the State of Oregon and other applicable policies. The budget is prepared on a modified accrual basis of accounting (revenues reported when earned; expenditures reported when the liability is incurred; taxes accounted for on a cash basis). The result is that carryovers of financial obligations from year-to-year are precluded and projections of anticipated revenue are not inflated.

The format and summarization are consistent with the Oregon Accounting Guidelines for Community Colleges. This budget expresses the basic and essential fiscal requirements of Lane Community College as set forth by the Board of Education. The 2016-17 Budget Document is submitted herewith for your consideration and action.

The staff and I are ready to assist you in the important task of reviewing this document.

Respectfully,



Brian Kelly

Vice President for College Services

### TOTAL PROPOSED BUDGET: ALL FUNDS

General Fund (I)	\$90,802,078
Internal Services Fund (II)	2,176,000
Debt Service Fund (III)	13,662,419
Capital Projects Fund (IV)	9,661,608
Financial Aid Fund (V)	63,448,000
Enterprise Fund (VI)	24,429,499
Special Revenue Fund (VIII)	11,757,000
<u>Special Revenue: Admin Restricted (IX)</u>	<u>19,422,215</u>
<b>Total All Funds</b>	<b>\$235,358,819</b>



Schedule of Changes Between  
FY17 Proposed, Budget Committee Approved and Board Adopted

Fund	Program	Staff Proposed Budget	Notes	Changes	Budget Committee Approved	Notes	Changes	Board Adopted Budget	
<b>General Fund</b>	Instruction	46,090,192	Updated information since Proposed prepared in late April; generally related to activity in labor/positions.	196,095	46,286,287	Board approved 3% HEPI increase for Tuition and Fees.	758,000	47,044,287	
	Instructional Support	6,094,781	"	34,154	6,128,935		-	6,128,935	
	Student Services	9,656,048	"	(41,639)	9,614,409		-	9,614,409	
	College Support Services	14,958,016	"	(128,889)	14,829,127		-	14,829,127	
	Plant Operations & Interfund Transfers	6,294,539	"	(59,721)	6,234,818		-	6,234,818	
		2,825,978			-	2,825,978		-	2,825,978
	Contingency/Reserve	2,350,000			-	2,350,000		-	2,350,000
	UEFB	2,532,524			-	2,532,524		-	2,532,524
	<b>90,802,078</b>			<b>-</b>	<b>90,802,078</b>		<b>758,000</b>	<b>91,560,078</b>	
<b>Auxiliary Fund</b>	College Support Services	1,722,500			-	1,722,500		-	1,722,500
	Interfund Transfers	53,500			-	53,500		-	53,500
	Contingency/Reserve	400,000			-	400,000		-	400,000
		<b>2,176,000</b>			<b>-</b>	<b>2,176,000</b>		<b>-</b>	<b>2,176,000</b>
<b>Debt Fund</b>	Debt Service Payments	13,662,419			-	13,662,419		-	13,662,419
		<b>13,662,419</b>			<b>-</b>	<b>13,662,419</b>		<b>-</b>	<b>13,662,419</b>
<b>Capital Projects Fund</b>	Capital Projects	9,661,608			-	9,661,608		-	9,661,608
		<b>9,661,608</b>			<b>-</b>	<b>9,661,608</b>		<b>-</b>	<b>9,661,608</b>
<b>Financial Aid Fund</b>	Financial Aide	63,190,500			-	63,190,500		-	63,190,500
	Interfund Transfer	50,000			-	50,000		-	50,000
	Contingency/Reserve	207,500			-	207,500		-	207,500

Schedule of Changes Between  
FY17 Proposed, Budget Committee Approved and Board Adopted

Fund	Program	Staff Proposed Budget	Notes	Changes	Budget Committee Approved	Notes	Changes	Board Adopted Budget
		63,448,000		-	63,448,000		-	63,448,000
<b>Enterprise Fund</b>	Instruction	117,127		-	117,127		-	117,127
	Student Services	14,853,073		-	14,853,073		-	14,853,073
	Interfund Transfers	1,471,500		-	1,471,500		-	1,471,500
	Contingency/Reserve	7,987,799		-	7,987,799		-	7,987,799
		<b>24,429,499</b>		<b>-</b>	<b>24,429,499</b>		<b>-</b>	<b>24,429,499</b>
<b>Grant Fund</b>	Instruction	4,932,880		-	4,932,880		-	4,932,880
	Instructional Support	54,200		-	54,200		-	54,200
	Student Services	1,018,840		-	1,018,840		-	1,018,840
	Community Services	5,692,880		-	5,692,880		-	5,692,880
	College Support Services	54,200		-	54,200		-	54,200
	Interfund Transfers	4,000		-	4,000		-	4,000
		<b>11,757,000</b>		<b>-</b>	<b>11,757,000</b>		<b>-</b>	<b>11,757,000</b>
<b>Administratively Restricted Fund</b>	Instruction	5,316,605		-	5,316,605		-	5,316,605
	Instructional Support	460,542		-	460,542		-	460,542
	Student Services	3,129,817		-	3,129,817		-	3,129,817
	Community Services	2,091,000		-	2,091,000		-	2,091,000
	College Support Services	981,088		-	981,088		-	981,088
	Interfund Transfers	253,979		-	253,979		-	253,979
	Contingency/Reserve	7,189,184		-	7,189,184		-	7,189,184
		<b>19,422,215</b>		<b>-</b>	<b>19,422,215</b>		<b>-</b>	<b>19,422,215</b>
<b>Total Budget</b>		<b>235,358,819</b>		<b>-</b>	<b>235,358,819</b>		<b>758,000</b>	<b>236,116,819</b>



# **INTRODUCTION**

## About Lane Community College

### Institutional Overview

Lane Community College, founded in 1966, 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, and core themes (essential elements of the mission) reflect community values and needs.

Lane's service district represents approximately 359,000 residents, slightly less than 10 percent 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 Downtown Center in Eugene, centers in Cottage Grove, Florence, the Eugene Airport and outreach sites in the community. Lane employs more than 1,000 employees who serve more than 30,000 students annually. The college had a total of 10,464 full-time-equivalent (FTE) students in the 2014-2015 academic year. Approximately 87% of students are enrolled in credit courses with 60% of credit students enrolled part-time.

All students who come to Lane, whether their goal be transfer, career technical education, foundational skills development, or life-long learning, have a broad range of options for their education and support, as the college provides comprehensive programming to meet both the community's and students' needs.

*Transfer.* Students who come to Lane with the goal of transfer in the arts and sciences are guided by a growing number of 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 neighbor, the University of Oregon, as well as with Oregon State University and the Oregon Health Sciences University. Every year students are either dually enrolled or transfer to a four-year institution. Transfer is not only for students in the arts and sciences. Lane students pursuing a career technical degree through the college's School of Professional and Technical Careers also have increasing opportunities to extend their associate degree by continuing to a four-year college or university to earn a bachelor's degree.

*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 culinary arts to advanced technology/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, Customized Training 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/or 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 2014-2015 academic year, the college completed a comprehensive accreditation self-study and hosted an accreditation visit from representatives of the Northwest Commission on Colleges and Universities. The college's accreditation was reaffirmed, with the commission commending the college for its emphasis on student success; student support services; strong policy leadership by the board; transparency and integrity; innovative work attracting national distinction in areas such as student success, sustainability, and college leadership; the downtown campus; a comprehensive library; and diligence in addressing student loan default rates. The college was advised to continue its work in integrating planning and institutional effectiveness efforts, assessing student learning outcomes, and scaling up its pilot program review process. During 2015-2016, the college developed a new five-year strategic plan, which will go into effect during the 2016-2017 academic year.

*Finances.* By most measures, state financial support for higher education is substandard in Oregon. The State Higher Education Executive Officers (SHEEO) Association reported for fiscal year 2013-2014 that Oregon ranks 46th in educational funding per FTE. Oregon community colleges receive funding through three primary sources: state allocation of funds through a biennial state budget; student tuition and fees; county-based property tax. During the recent 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 35% of Lane's general fund revenues. As a result, the college budget is much more sensitive to enrollment increases and declines. As the economy has improved, the college has experienced substantial declines in enrollment which then affects revenue. In 2015 the college developed a Strategic Enrollment Management plan designed to stabilize enrollment at 11,000 FTE over a three-year period.

The college provides benefits to the community, both in terms of economic growth, and investment. For example, the accumulated credits achieved by former Lane students over the past 30 years translate to \$328.5 million in added regional income each year due to the higher earnings of students and increased output of businesses (Economic Impact Student 2012). Furthermore, the college's relationship with the community helps Lane provide the right program and services to students to support their journey as they develop, progress toward, and achieve their goals. Lane's work reflects the identity of the college forged over the past half-century.

## Board of Education

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

**Sharon Stiles**, Retired EEO Officer, Florence  
Elected May 2009, term expires June 30, 2017  
Zone 1-Western

**Susie Johnston**, Retired, Eugene  
Elected May 2007, term expires June 30, 2019  
Zone 2-Northern

**Gary LeClair**, Physician, Springfield  
Elected May 2009, term expires June 30, 2017  
Zone 3-Marcola and Springfield

**Matt Keating**, Political Consultant, Eugene  
Elected July 1, 2013, term expires June 30, 2017  
Zone 4-Eastern

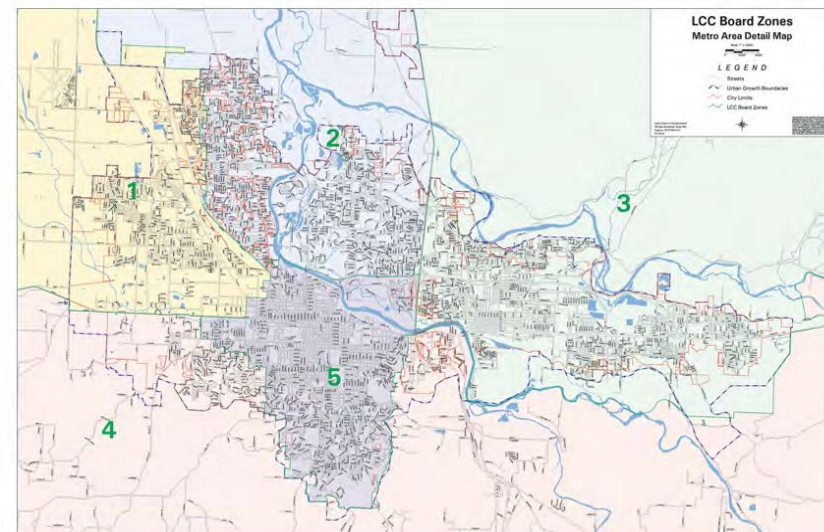
**Philip Carrasco**, Bilingual Assessor, Eugene  
Elected July 2015, term expires June 30, 2019  
Zone 5-Central Eugene

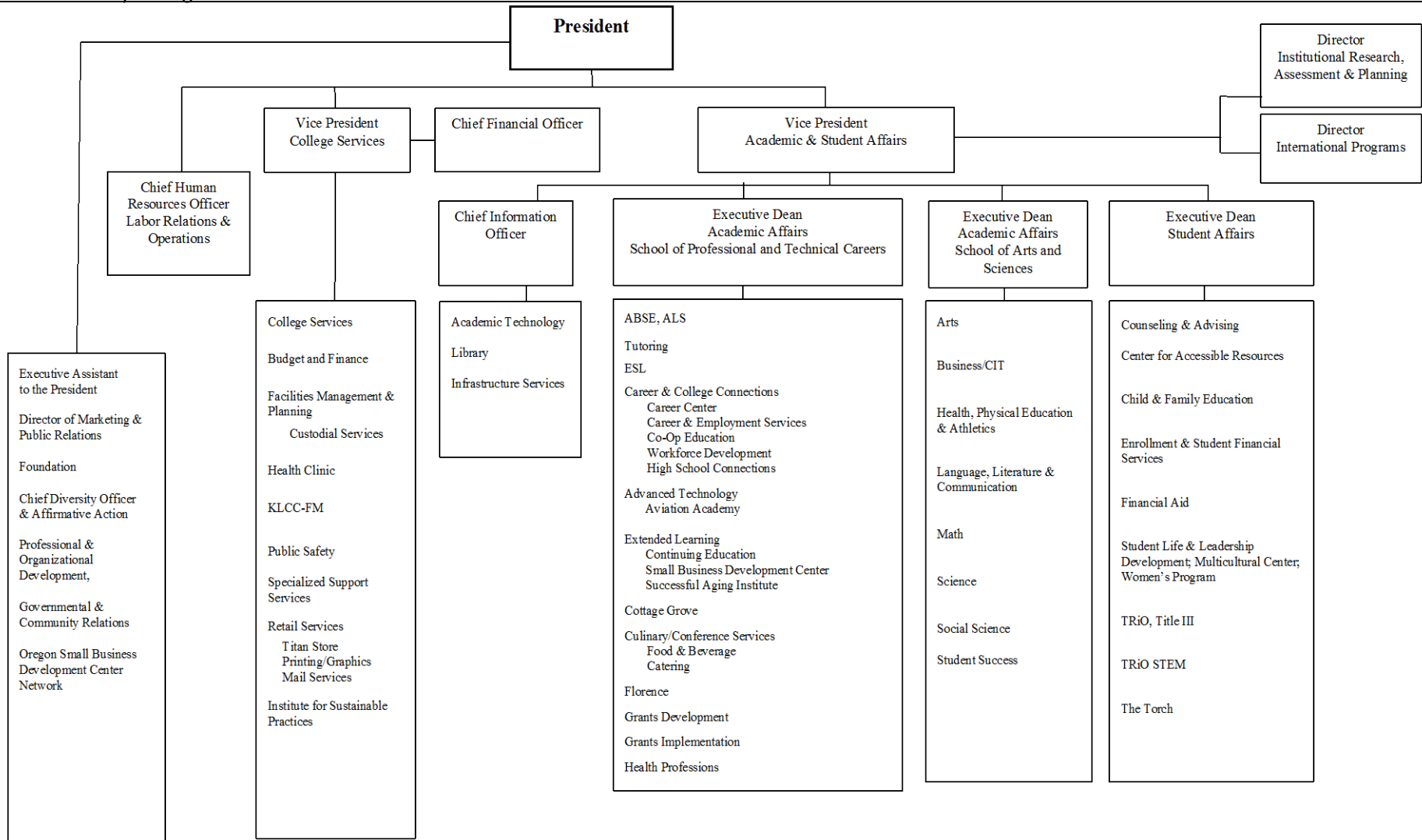
**Rosie Pryor**, Marketing & Strategy Officer, Eugene  
Elected July 2011, term expires June 30, 2019  
At-Large, Position 6

**Tony McCown**, Education Consultant, Springfield  
Elected May 2007, term expires June 30, 2019  
At-Large, Position 7



LCC Board of Directors & College President Mary Spilde





Organizational Chart  
2016



## Vision, Mission & Core Themes

### Vision

Transforming lives through learning

### Mission

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

### Core Themes

Core Themes reflect the essential elements of Lane's mission. They represent and encompass the diversity of Lane's educational roles in the community.

#### Core Theme 1: Responsive Community Engagement

As an engaged member of our community, Lane's programs, services, and activities serve the community's needs.

#### Core Theme 2: Accessible and Equitable Learning Opportunities

Lane's policies, procedures, programs, and services facilitate open, fair, and just educational experiences.

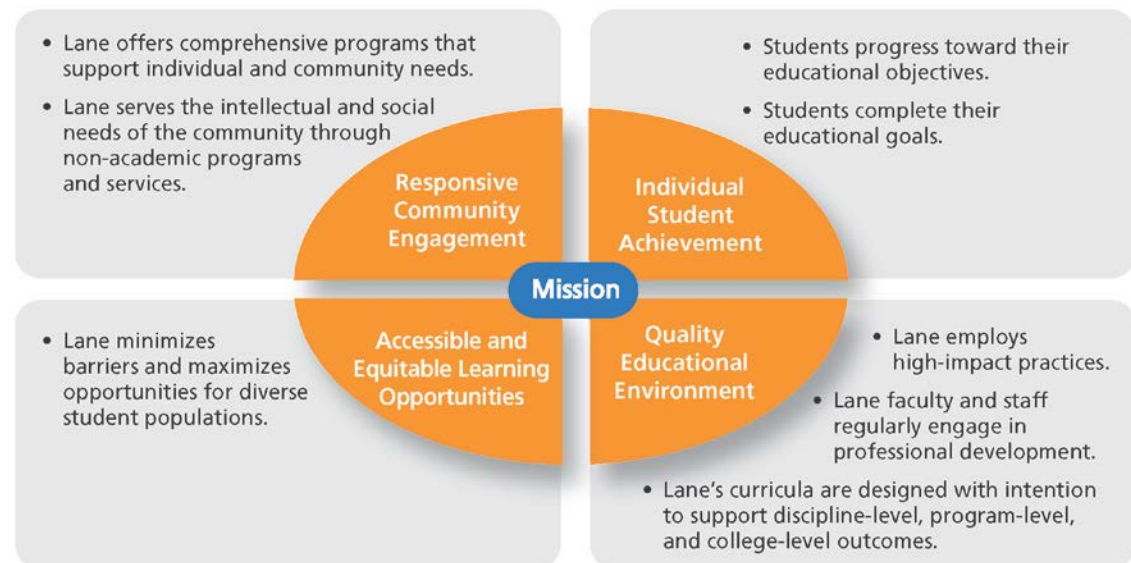
#### Core Theme 3: Quality Educational Environment

Lane's quality educational environment embraces academic and instructional integrity, relevancy, rigor, innovation, and transparency.

#### Core Theme 4: Individual Student Achievement

Lane's students advance on their academic paths and reach their educational goals.

### Core Themes and Objectives





## Strategic Directions

Lane Community College's 2016-2021 Strategic Plan provides a five-year framework for achieving objectives in support of our core themes of responsive community engagement, accessible and equitable learning opportunities, quality educational environment, and individual student achievement. The plan builds upon our existing work around student success and institutional effectiveness, focusing on five interrelated strategic directions designed to advance this work in response to present and foreseeable needs. A complete copy of the 2016-2021 Strategic Plan is available online at <https://www.lanec.edu/research/planning/strategic-plan>.

### 2016-2021 Strategic Directions

#### Commitment to Student Learning and Success

*Student success at Lane is defined as the journey through which our students develop, progress toward, and achieve their goals. Lane supports student success by recognizing the symbiotic relationship between teaching and learning, providing high quality and accessible learning experiences, and ensuring our structures and practices support our students in reaching their goals.*

*Our strategic focus for the next five years is to build upon Lane's history of student success work to ensure that effective and proven practices are integrated throughout the college.*

*This goal will only be achieved by developing a shared sense of ownership for ensuring quality student learning experiences and success, improving service across all areas of the college, recognizing that student success is predicated on learning, and fully supporting faculty and staff in developing and improving curricula, co-curricular activities, and services to support our students.*

Strategic Objectives:

- Foster a collegewide culture of service to student learning, academic excellence and success
- Define, build shared understanding, and implement practices that lead to student learning and success
- Improve communications, services, systems, and structures to maximize access and opportunity for all students

#### A Culture of Teaching, Learning, and Innovation

*Innovation relies on engaging and supporting faculty in their role as agents for learning and change; supporting the advancement of teaching and learning; providing meaningful professional development opportunities for faculty, staff and managers; and developing and sustaining structures that support regular, systematic review and adaptation.*

*Lane has made advances toward this strategic direction through the efforts of the college's Assessment Team, Open Educational Resources (OER) Steering Committee, Faculty Interest Groups, Faculty Professional Development, Academic Technology, Library, Honors Program, a new campuswide program review process, and an emerging vision for the scholarship of teaching and learning.*

*In order to further advance this work, we will focus on developing systems, structures and processes to support and sustain teaching, learning, and innovation.*

Strategic Objectives:

- Support teaching, learning, assessment and innovation through faculty research and scholarship
- Develop cross-disciplinary structures and supports to improve collaboration and innovation in Lane's programs and services
- Provide professional development opportunities for faculty, staff and managers that advance teaching and learning at Lane
- Build capacity to expand and support online teaching, learning and educational resources

### **Access, Equity and Inclusion through Social Justice**

*Social justice—ensuring that issues of privilege, oppression, discrimination are recognized, understood, and addressed—is the means by which access, equity and inclusion are achieved.*

*In order to fully realize Lane's commitment to these outcomes, we will develop a social justice framework (Equity Lens) to guide our work. This framework will provide structures, systems and support for: (1) advancing individual and collective growth in cultural fluency, agility and competency across the institution; (2) bringing stakeholder groups together to identify and remedy barriers to social justice at Lane; (3) improving recruitment and retention of diverse students and staff; (4) increasing the range, scope and depth of curriculum available to students focused on issues of diversity, equity and inclusion; and (5) demonstrating leadership in social justice to the communities we serve.*

Strategic Objectives:

- Integrate principles of social justice throughout the college learning and working environment
- Develop a culture of inclusivity and respect through dialogue, outreach, education, and equitable policies and practices
- Improve recruitment, retention, and support of diverse students, faculty, staff, and managers

### **Strengthened Community**

*Meaningful engagement is essential to strengthening the communities Lane is comprised of and serves. It involves collaborative relationships, effective communication, common goals, shared resources, and the practice of balancing visionary thinking while serving present needs.*

*We will strengthen our college community by developing new and improved channels for dialogue, participation and collaboration; supporting leadership and innovation in all areas of the college; and increasing engagement through shared vision.*

*Building upon our community relationships and input, we will develop quality, relevant programs and services; leverage resources; and advocate for policies and legislation that support our mission.*

Strategic Objectives:

- Foster a sense of college community through engagement, dialogue, transparency, and leadership development of Lane faculty and staff
- Identify, evaluate, and agilely respond to evolving community needs, issues and opportunities
- Strengthen the effectiveness of collaborative partnerships with employers, advisory boards, K-12 school districts, universities, and community organizations

**Financial and Environmental Stewardship**

*In both financial and environmental contexts, responsible stewardship involves providing a learning environment that builds understanding of evolving financial and environmental ecosystems and impact, integrating practices that support and improve the health of these systems, and taking an active role in building resilient communities through our work as educators and upholders of a public commons in which diverse groups of people collaboratively create solutions to local and global problems.*

*Drawing upon the resources of the college's Institutional Effectiveness Committee and Finance Council, our focus over the next five years is to continue developing and aligning strategic and operational planning structures that support strategic allocation of resources to provide long-term financial stability for our teaching and learning environment. We will apply principles of environmental sustainability to our wealth of built and natural resources on campus and surrounding areas, and make substantive progress toward carbon neutrality.*

Strategic Objectives:

- Develop planning, decision-making and resource allocation structures for programs and services to achieve optimal enrollment levels, student affordability, and fiscal sustainability while continuing to support a high-quality teaching and learning environment.
- Implement environmental sustainability principles and practices
- Increase adaptive capacity in our staff, students, community and built environment to create organizational and environmental resilience

## Core Values

Lane's core values represent our approach to our work, each other and our community.

### 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  
2016 - 2017 Budget Committee

Phillip Carrasco  
Kevin Cronin  
Jeff Farm  
Rolando Figueroa  
Nancy Golden

Susie Johnston  
Matt Keating  
Gary LeClair  
Kevin Matthews  
Tony McCown

Rosie Pryor  
Sharon Stiles  
Carmen X. Urbina  
Rudy Venturi

## Budget Development Process

In the budget development process outlined below, Lane Community College follows Oregon Local Budget Law. 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

Lane’s Budget Officer is appointed by the Board of Education

### III Prepare a Proposed Budget

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

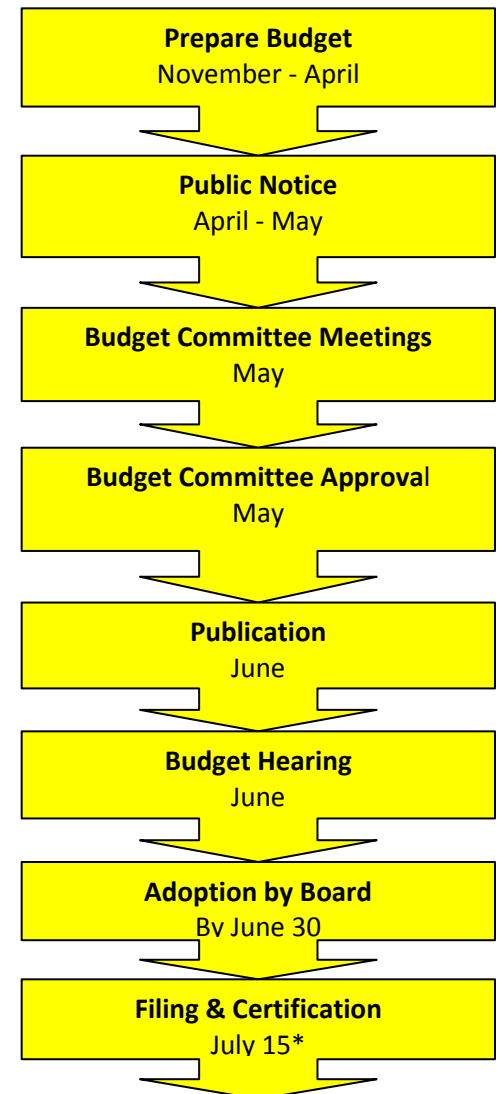
- A. Discuss Budget Assumptions with Budget Committee
- B. Develop resource (revenue) estimates and base expenditures budget
- C. Estimate preliminary surplus/deficit
- D. Determine tuition rate
- E. Develop changes to base and final budgets in accordance with internal planning processes and Board of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

### IV Public Notice

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

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

## 2016-2017 Budget Calendar



**V Budget Committee Meeting(s)**

At least one Budget Committee meeting is held to 1) review the budget message and document, 2) hear the public and 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, a budget hearing is held by the Board of Education. 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 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.



## Budget Assumptions

### Projection Categories, Components, Data Sources and Key Assumptions

Funds I &amp; IX

Category	Components	Data Sources	Key Assumptions
<b>REVENUE</b>			
<b>Intergovernmental</b>			
State Funding	State of Oregon Community College & Workforce Development (CCWD) funding	CCWD funding worksheet (updated quarterly), Lane enrollment trends, enrollment trends from other colleges, tax revenues	-Biennial funding base -Lane enrollment -Other Oregon community colleges' enrollment
Property Taxes	Property taxes (Primarily Lane county; also Linn, Benton, Douglas)	County assessed value and collection rates, actual collections, housing market trends and forecasts	-% increase/decrease
<b>Tuition &amp; Fees</b>			
Tuition	Credit and non-credit tuition payments	Credit enrollment, actual receipts, trend analysis	-Tuition rate -Enrollment % change
Student Fees	Mandatory/instructional course fees, including continuing education	Credit and Continuing Education enrollment, fee changes, actual receipts, trends analysis	-Fee rates -Enrollment % change
Other Fees & Charges	Income Credit Program (ICP), child development center, admissions fees, user fees, rent	Credit enrollment, service and activity levels, department plans and forecasts, trend analysis	-Enrollment % change -Service and activity changes
Provision for Bad Debt Adjustment	3% charge on tuition and fee revenues	Actual charges and write offs, receivable and collection trends, balance sheet analysis	-Collection rates
<b>Other Revenue Sources</b>			
Administrative Recovery	Grant indirect, Pell grant indirect, Foundation salary reimbursement, Titan Store and International general fund contributions	Grant activity, Foundation position list, Titan Store and International operating income and forecasts, department plans and forecasts	-Standard schedule
Gifts & Donations	KLCC memberships, miscellaneous program support from foundation	KLCC trends and forecasts, foundation activity	-KLCC membership % change
Grants & Contracts	Primarily energy management contracts	Grant contracts and forecasted activity	-Energy management activity
Interest Income	Miscellaneous investment income	Investment portfolio, rates, actual receipts	-Portfolio base, return rate
Other Revenue Sources	Technology fee, miscellaneous other	Credit and CE enrollment, actual receipts, department plans and forecasts, trend analysis	-Enrollment % change
Sale of Goods & Services	Specialized Support Services (S3), KLCC underwriting, health and dental clinic billing, books, other sales	Service and activity levels, actual receipts, department plans and forecasts, trend analysis	-Service and activity changes

**Projection Categories, Components, Data Sources and Key Assumptions**

Funds I &amp; IX

Category	Components	Data Sources	Key Assumptions
<b>Operating Transfers In</b>	Interfund transfers	Budgeted transfers, actual transfers, scheduled updates	-Standard schedule

**EXPENDITURES****Personnel**

Contracted	Contracted faculty, staff and manager salary and wages	Position list, salary schedule and step adjustments or bargaining parameters, "swirl" factor	-Staffing levels -Bargaining
Part-Time	Hourly (non-contracted) faculty, staff and manager wages	Enrollment and activity levels, contracted staffing (backfill offsets), bargaining parameters	-Enrollment % change -Bargaining
Other Personnel Expenses (OPE)	Employee benefits and payroll taxes	Actual collections and expenses, base salary levels, Public Employee Retirement System (PERS) rates, trend analysis	-Staffing levels and total salaries and wages -Health insurance premiums -PERS rates

**Other Expenditures**

Materials & Services	Instructional and administrative materials, supplies and services, utilities	Enrollment and activity levels, actual expenditures, department plans and forecasts, trend analysis	-Enrollment and activity levels
Capital Outlay	Goods and equipment in excess of \$10K and/or depreciable (e.g. library books)	Capital outlay allocation, department plans, trend analysis	-Allocation funding
Goods for Resale	Lane Transit District (LTD) passes, ICP supplies	Sales revenue, actual expenditures, department plans and forecasts, trend analysis	-Main campus credit enrollment -Sales forecasts
<b>Operating Transfers Out</b>	Interfund transfers	Budgeted transfers, actual transfers, scheduled updates	-Standard schedule

**Fiscal Year 2016-2017 Proposed Budget Assumptions**

Funds I &amp; IX

<b>Category</b>	<b>Proposed Budget Assumption</b>	<b>Factor</b>
State Funding	\$275 million statewide funding level; 9.7% allocation to Lane	\$2.74 million per percentage change in Lane allocation
Property Taxes	4% increase over current year	\$190K per percentage change
Tuition Revenue	Current tuition rate	\$245K per \$1 increase
Student Fees	11% credit enrollment decline FY16; maintain (no decline) in FY17	\$230K per % change
Administrative Recovery	Standard schedule	Varies
Transfers In	Standard schedule	Varies
Contracted Personnel	Current position list and staffing plan Current salary schedule and steps Application of 3.5% "swirl" factor*	Varies
Part-Time Personnel	Part-time base adjusted for enrollment by department and current staffing plan Current salary schedule and steps	\$115K per % change in base
Other Personnel Expenses (OPE)	Current rates: 64% full-time/contracted, 38% part-time	\$475K per % change in rate
Personnel Cost Adjustment	\$1.992 million to recognize contract negotiations in process	Varies
Materials and Services	Updated for mandatory adjustments (contracts, utilities) and activity levels	\$16K per % change in non-mandatory M&S
Capital Outlay	Full funding	Total allocation \$700K
Transfers Out	Standard schedule	Varies
Ending Fund Balance	Use of financial stabilization reserve, surplus over policy requirement plus additional 3%	Varies

\*Swirl is the average annual savings realized through contracted personnel attrition and hiring that occurs after the base projection position list is developed

## Challenges

### Challenges and Considerations for the Next Biennium

Looking ahead to the next biennium, the college's governance and planning bodies are considering the following financial challenges and uncertainties. The Finance Council will be updating the college's long-term financial plan during the 2016-2017 academic year and will be developing forecasts and scenarios to account for these issues, and the college's 2016-2021 Strategic Plan includes specific strategies and goals to support long-term financial sustainability.

### State Funding

FY2017 represents the second year of the current biennium, with the total state allocation to community colleges and workforce development set at \$550 million.

In the coming legislative cycle, state lawmakers will wrestle with many competing priorities for state funding: education-- early childhood through post-secondary (to include community colleges); economic development and job creation; health and human services; public safety and corrections; disaster relief; and an expected increase in PERS (Public Employees Retirement System) liabilities to more than \$20 billion.

A gross receipts corporate income tax initiative, IP 28, proposed for the November 2016 ballot, has significant implications for state budgetary forecasts. The measure would increase the annual minimum tax for C Corporations in Oregon, with sales of more than \$25 million, from a minimum of \$30,000 to a minimum of \$30,001, *plus* 2.5% of the excess over \$25 million. If passed, the measure will take effect January 2017. Initial estimates indicate that the measure could raise between \$4 and \$5 billion per biennium. All revenue raised under the measure would go to the state's General Fund and would be designated for public early childhood and kindergarten through 12<sup>th</sup> grade, healthcare and services for senior citizens. Although the measure doesn't directly address community college funding, by significantly increasing overall revenue it could allow the state to increase its support for higher education, which currently ranks 46th in the nation.

### Enrollment

Since the height of the Great Recession in 2010-2011, enrollment at Lane and community colleges across the nation has declined, in keeping with a long-standing countercyclical relationship between enrollment and the economy. Lane's enrollment has declined approximately 38% since 2011, from 15,400 FTE (full-time-equivalent) to 9,500 FTE and the state's 4.5% unemployment rate represents a 40-year low. Declining enrollment presents dual funding challenges for the college, as: 1) the college is increasingly reliant on tuition as a major funding source, and 2) enrollment is a primary driver for the state's community college funding formula. Lane's enrollment has dropped further than other Oregon community colleges over the past four years, negatively impacting Lane's percentage allocation of the state community college support fund.

Although the economy and job market are most closely correlated with enrollment trends, other factors that impact enrollment include decreasing high school graduation rates, increased marketing from four-year colleges and the for-profit sector, changes in financial aid awards and regulations, increased market saturation for degree holders, and flattening state support for public institutions and resultant increased tuition costs.

In 2015, the college developed a Strategic Enrollment Management plan, aimed at increasing new student FTE and improving retention and completion rates. The FY2017 budget reflects an expectation that implementation of SEM strategies, to include increased recruiting, advising, and support systems; pursuit of strategic growth opportunities in career technical programs; and increased access and analysis of data to understand and address issues and opportunities around student registration, enrollment patterns, and goal attainment, will result in an end to enrollment declines in the 2016-2017 academic year and lead to sustainable enrollment growth in subsequent years.

**PERS**

Public employers are bracing for significant increases to pension costs over the next three biennia due to the Oregon Supreme Court's rejection of lawmakers' 2013 pension reforms, low investment returns, and changes in the system's economic assumptions that have resulted in an unfunded liability of more than \$20 billion. Lane will likely face year-over-year increases up to 12% or \$7.2 million over the three year period 2018-2021. The college prudently funded a PERS reserve account in 2004, and increased it in 2005 and again 2010, in anticipation of potential increases. The \$5.536 million in this fund will help ease rate increases over a short period, but will not address the long-term, recurring impact of rate increases.

**Salaries and Benefits**

The college is currently in contract negotiations with all employee groups (faculty, classified staff and managers). In addition to consideration of recurring increased costs through salary schedule adjustments and step increases, negotiations also include discussion about health care benefits and plan choices. Contract negotiations around workload, leave and other benefits and working conditions also present financial implications for the college.

**Fund Balances**

The FY2017 budget uses \$2.368 million of the college's general fund balance below the 10% threshold established in Board Policy BP245. If FY2017 revenues and expenditures are executed as budgeted, the general fund balance will be approximately 6.97% of general fund expenditures, which will require the college to "adopt a plan to replenish the Ending Fund Balance to 10% within two years." An adequate fund balance is necessary for numerous reasons, such as to provide cash for operations prior to receipt of fall term tuition and fees and receipt of property tax revenues, provide funds in case of emergency or unexpected events, to maintain or enhance the college's financial position and bond ratings, and to eliminate the need for costly short-term borrowing.

## Major Revenue Sources and Forecasting Methodology

### Overview

Budget preparation begins with revenue projections. To make these projections as accurate as possible, three types of forecast methods are used depending on each revenue sources' unique characteristics. In practice, most revenue source projections combine several methodologies.

1. **Qualitative Methods:** Forecasts are based on judgments rather than rigorous mathematical computations (i.e. Delphi Method, Market Survey and Executive Opinion).
2. **Time Series Forecasts:** Most common; models are used to identify specific patterns in data and use them to project future forecasts.
3. **Associative Models:** Assume that the variable being forecasted is related to other variables in the environment. The model tries to project based upon those associations.

### Federal Support Funding

The college's largest revenue source is federal support. The projected revenue generated from all federal support funding for fiscal year (FY) 2017 is \$61,770,000, or 32% of total revenues (excluding interfund transfers).

	Federal Support Funding						
	FY2011 Actuals	FY2012 Actuals	FY2013 Actuals	FY2014 Actuals	FY2015 Actuals	FY2016 Current Budget	FY2017 Proposed Budget
Financial Aid Fund V	100,815,109	108,653,752	90,008,155	62,897,215	46,604,586	87,653,851	55,158,000
Special Revenue Fund VIII	7,739,559	7,970,019	7,066,734	5,664,454	5,192,830	7,980,000	6,507,000
Administratively Restricted Fund IX	38,269	33,546	35,588	30,395	33,277	30,000	105,000
	108,592,937	116,657,318	97,110,477	68,592,064	51,830,693	95,663,851	61,770,000

### History and Forecast

Financial aid funding is tied to enrollment and has declined commensurately following the FY2009 to FY2012 enrollment surge. This funding is held in trust for students and the goal in forecasting revenue is to grant enough budget authority for the college to award financial aid without the need for mid-year budget adjustments that could possibly delay awards to students. With projections of flat enrollment in FY2017, the proposed budget of \$55,158,000 gives the college sufficient authority to award federal financial aid.

The same methodology applies to special revenue (grant) funds. These funds are restricted to grantor requirements and the goal in forecasting for this fund is to grant enough budget authority to allow the college to be nimble when grants are awarded. With recent trends seen above, the proposed FY2017 budget of \$6,507,000 gives the college sufficient budget authority to accept federal grants.

The college's child care center receives federal financial support in the Administratively Restricted Fund. Forecasting of this revenue is based on advice of the department head and center enrollment and capacity. The FY2017 budget also reflects funding for a new workforce development program.

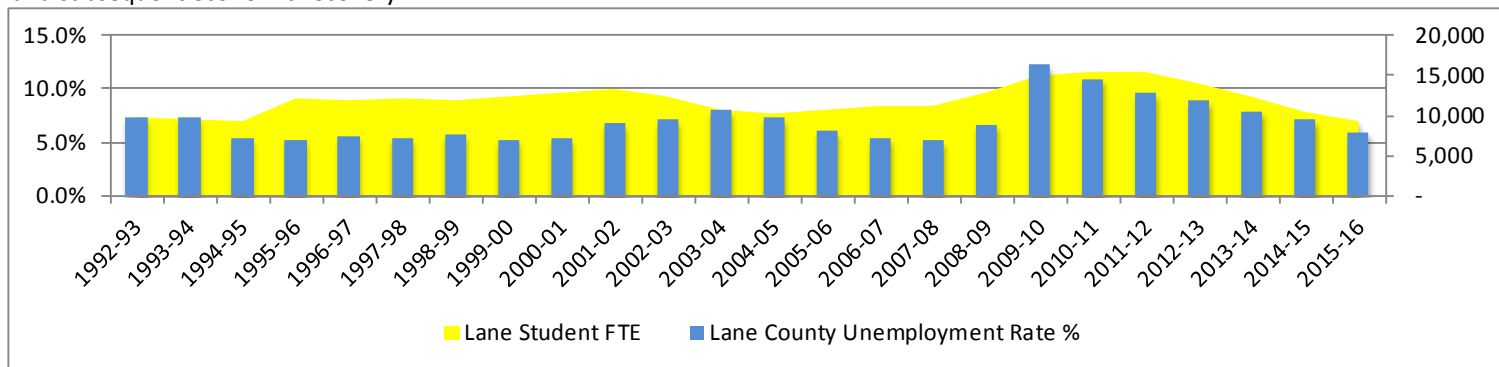
**Tuition and Fees**

The college's second largest revenue source is tuition and fees. The projected revenue generated from all tuition and fees for FY2017 is \$38,084,334, or 20% of total revenues (excluding interfund transfers).

	Tuition and Fees						
	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017
	Actuals	Actuals	Actuals	Actuals	Actuals	Current Budget	Proposed Budget
General Fund I	42,425,979	42,026,481	40,635,252	36,253,099	31,388,153	28,636,522	28,901,417
Internal Service Fund II	40,147	48,828	52,805	41,839	34,248	48,000	2,000
Capital Projects Fund IV	-	-	-	-	42,891	40,000	-
Financial Aid Fund V	-	-	15,639	353	68,000	-	-
Enterprise Fund VI	2,084,060	2,339,048	2,923,334	4,316,561	4,699,239	4,018,847	3,282,000
Special Revenue Fund VIII	121,955	110,693	102,374	102,275	75,185	300,000	125,000
Administratively Restricted Fund IX	5,853,828	5,668,959	5,127,988	4,601,059	4,955,667	7,546,148	5,773,917
	50,525,969	50,194,010	48,857,391	45,315,186	41,263,381	40,589,517	38,084,334

Tuition and fee 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, financial aid regulatory changes), and application of tuition rate changes. Enrollment is the biggest driver for tuition and fee revenue, which has declined approximately 38% in the general fund since the FY2009-FY2012 enrollment surge. Fees in the internal service fund are generated from the college's motor pool, and tend to remain fairly consistent year over year. Fee revenue for the capital projects fund comes from rental of college facilities, while financial aid fund V fees are related to processing charges. The enterprise fund houses the college's International Students Program, which plans to reach enrollment of 1,000 students by 2020. Growth plans were delayed over the past two years due to the closure of the Saudi Mission in Oregon. Revenue for international students is projected by the program director using similar modeling as is done for general fund tuition and fees. Fee revenue from the special revenue fund is generated by the college's business development center program income and is forecast by the program director. Finally, the administratively restricted fund generates tuition and fee revenue through specialized career technical and continuing education programs and the college's health clinic, and is forecast using trend analysis.

As this graph below 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 decreased as unemployment rates dropped. The correlation is especially dramatic from FY09 to present; during the great recession and subsequent economic recovery.



**State Support**

The college’s third largest revenue source is state support. The projected revenue generated from all state support funding for FY2017 is \$35,742,000, or 18% of total revenues (excluding interfund transfers).

	State Support Funding						
	FY2011 Actuals	FY2012 Actuals	FY2013 Actuals	FY2014 Actuals	FY2015 Actuals	FY2016 Current Budget	FY2017 Proposed Budget
General Fund I	18,841,504	33,478,815	18,152,938	36,770,335	31,212,953	31,030,000	26,930,000
Capital Projects Fund IV	-	16,522,959	-	-	-	8,000,000	1,687,000
Financial Aid Fund V	1,931,613	4,380,375	4,572,813	4,077,771	3,622,265	5,450,000	4,425,000
Special Revenue Fund VIII	1,647,021	1,631,758	2,209,292	2,370,323	2,348,114	2,420,000	2,700,000
Administratively Restricted Fund IX	416,442	-	191,136	-	-	50,000	-
	22,836,580	56,013,907	25,126,180	43,218,428	37,183,332	46,950,000	35,742,000

**General Fund**

Projected FY2017 revenue is based on the biennial state funding formula. The current formula allocates revenues to community college districts based on a rolling three year full-time equivalent (FTE) student enrollment for each community college district, which is equivalent to 510 coursework hours for a 12-week term or 467.5 hours for an 11-week term. Lane’s FTE has declined faster than the other 16 community colleges over the past three years, which has resulted in a 4% decline of its percent allocation.

**Current State Funding Formula**

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

- (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 percent, second year prior enrollment weighted at 30 percent and third year prior enrollment weighted at 30 percent.

**Capital Projects Fund**

In 2012 the state legislature (HB5202) awarded the college \$1,000,000 for classroom and lab space construction. The college plans to utilize these funds in FY2017. The college was awarded a Seismic Rehabilitation Grant of \$686,576 for Building 18.

**Financial Aid and Special Revenue Funds**

State support funding is projected objectively and with enough budget authority for the timely award of student financial aid and grants.



**Property Tax**

The college's fourth largest revenue source is property taxes. Projected revenue generated from all property tax funding for FY2017 is \$25,811,075, or 13% of total revenues (excluding interfund transfers).

	Property Taxes						
	FY2011 Actuals	FY2012 Actuals	FY2013 Actuals	FY2014 Actuals	FY2015 Actuals	FY2016 Current Budget	FY2017 Proposed Budget
General Fund I	15,693,312	15,746,480	16,292,305	16,513,061	17,527,816	17,405,000	18,958,100
Debt Service Fund III	6,156,285	6,957,587	6,525,669	6,747,582	6,982,386	6,070,435	6,852,975
	<u>21,849,597</u>	<u>22,704,067</u>	<u>22,817,973</u>	<u>23,260,643</u>	<u>24,510,201</u>	<u>23,475,435</u>	<u>25,811,075</u>

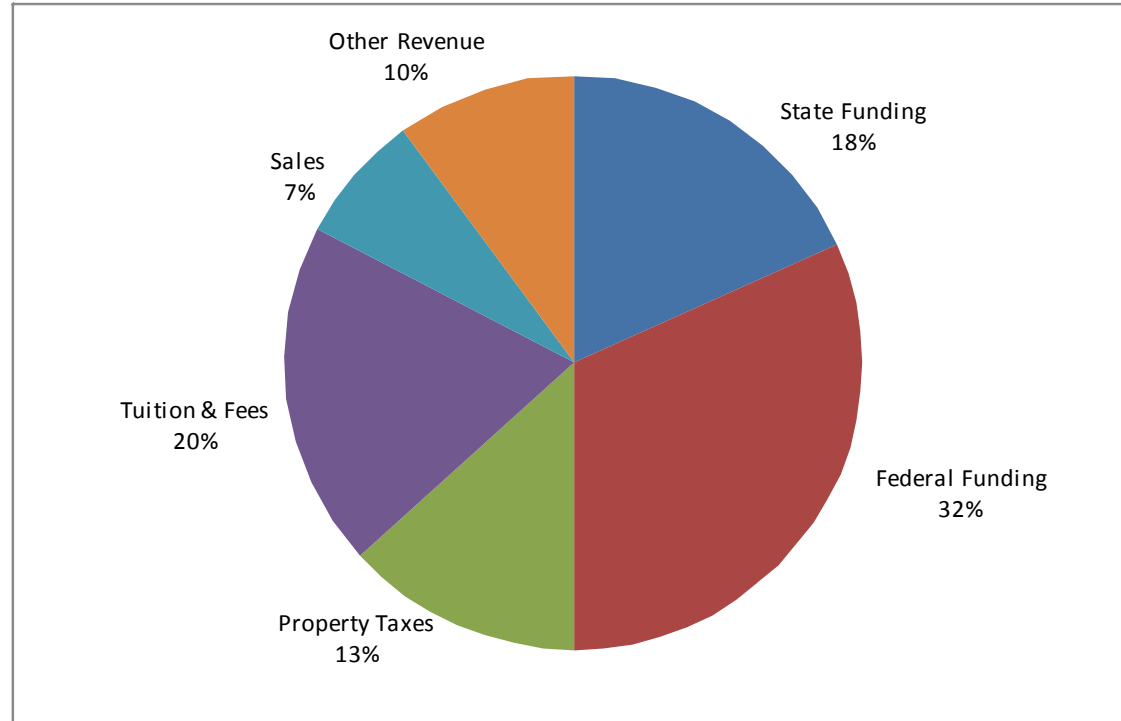
**Property Taxes on Real Estate**

Property taxes are imposed on the assessed value of property. The assessed value of each parcel cannot exceed its Taxable Real Market Value, and ordinarily is less than its Taxable Real Market Value. The assessed value of property was initially established in 1997 as a result of a constitutional amendment. That amendment (now Article XI, Section 11, often called "Measure 50") assigned each property a value and limited increases in that assessed value to three percent per year, unless the property is improved, rezoned, subdivided, or ceases to qualify for exemption. When property is newly constructed or reassessed because it is improved, rezoned, subdivided, or ceases to qualify for exemption, it is assigned an assessed value that is comparable to the assessed value of similar property.

A tax rate limitation was established in 1990 as the result of a constitutional amendment. That amendment (now Article XL Section 11b, often called "Measure 5") separates property taxes into two categories: one to fund the public school system (kindergarten through grade twelve school districts, education service districts and community college districts, collectively, "Education Taxes") and one to fund government operations other than the public school system ("General Government Taxes"). Education Taxes are limited to \$5 per \$1,000 and General Government taxes are limited to \$10 per \$1,000 of the Taxable Real Market Value of property (the "Measure 5 Limits"). If the taxes on a property exceed the Measure 5 Limit for Education or General Government, then tax rates are compressed to the Measure 5 Limit. Local Option Levy rates compress to zero before there is any compression of Permanent Rates. In Fiscal Year 2016, there was \$286,792 of compression of the College's Permanent Rate due to the tax rate limitation.

Taxes imposed to pay the principal and interest on the following bonded indebtedness are not subject to Measure 5 Limits: (1) bonded indebtedness authorized by a specific provision of the Oregon Constitution; and (2) general obligation bonded indebtedness incurred for capital costs approved by the electors of the issuer and bonds issued to refund such bonds.

The chart below depicts the sources of college revenue for all funds, excluding transfers.



**Cash Flow Considerations**

The first 3 months of the college’s fiscal year (July, August and September) are the lowest cash flow months. Revenue is recorded when students enroll for fall term; however, payment isn’t expected until the term starts in late September. Funds from federal financial aid for fall term are received in October. The college does receive a quarterly payment from the state in August. The majority of property taxes are received in October, November and December.

Board ending fund balance policies, presented in Appendix B, are designed to maintain sufficient cash balances and avoid the need for expensive short-term borrowing to cover first quarter payroll and other cash flow needs. Local governments in Oregon are restricted in borrowing for operations and can only borrow against current year property taxes.

**Change in Fund Balance**

**Budgetary Statement of Resources, Uses and Changes in Fund Balance**  
**FY 2016-17 Proposed Budget**

	General Fund	Admin Restricted	Capital Projects	Enterprise	Internal Service	Special Revenue	Financial Aid	Debt Service	Total
<b>Revenues:</b>									
Intergovernmental - State	\$ 26,930,000	\$ -	\$ 1,687,000	\$ -	\$ -	\$ 2,700,000	\$ 4,425,000	\$ -	\$ 35,742,000
Intergovernmental - Federal	-	105,000	-	-	-	6,507,000	55,158,000	-	61,770,000
Intergovernmental - Local	-	-	-	-	-	300,000	-	-	300,000
Intergovernmental - Property Taxes	18,958,100	-	-	-	-	-	-	6,852,975	25,811,075
Tuition & Fees	28,901,417	5,773,917	-	3,282,000	-	125,000	-	-	38,082,334
Other Sources:									
Sale of Goods and Services	727,300	3,061,575	-	12,432,499	1,233,000	20,000	-	-	17,474,374
Other Revenues	3,607,161	2,038,539	-	690,000	72,000	1,880,000	3,140,000	4,551,650	15,979,350
<b>Total Revenues</b>	<b>79,123,978</b>	<b>10,979,031</b>	<b>1,687,000</b>	<b>16,404,499</b>	<b>1,305,000</b>	<b>11,532,000</b>	<b>62,723,000</b>	<b>11,404,625</b>	<b>195,159,133</b>
<b>Expenditures:</b>									
Instruction	46,095,192	5,316,605	-	117,127	-	4,932,880	-	-	56,461,804
Instructional Support	6,094,781	460,542	-	-	-	54,200	-	-	6,609,523
Student Services	9,651,048	3,129,817	-	14,853,073	-	1,018,840	-	-	28,652,778
Community Services	-	2,091,000	-	-	-	5,692,880	-	-	7,783,880
College Support Services	14,958,016	981,088	-	-	1,722,500	54,200	-	-	17,715,804
Plant Operations & Maintenance	6,294,539	-	-	-	-	-	-	-	6,294,539
Plant Additions	-	-	7,791,608	-	-	-	-	-	7,791,608
Financial Aid	-	-	-	-	-	-	63,190,500	-	63,190,500
Debt Services	-	-	-	-	-	-	-	13,662,419	13,662,419
<b>Total Expenditures</b>	<b>83,093,576</b>	<b>11,979,052</b>	<b>7,791,608</b>	<b>14,970,200</b>	<b>1,722,500</b>	<b>11,753,000</b>	<b>63,190,500</b>	<b>13,662,419</b>	<b>208,162,855</b>
<b>Revenues Over-(Under) Expenditures</b>	<b>(3,969,598)</b>	<b>(1,000,021)</b>	<b>(6,104,608)</b>	<b>1,434,299</b>	<b>(417,500)</b>	<b>(221,000)</b>	<b>(467,500)</b>	<b>(2,257,794)</b>	<b>(13,003,722)</b>

Continued

**Change in Fund Balance**

	General Fund	Admin Restricted	Capital Projects	Enterprise	Internal Service	Special Revenue	Financial Aid	Debt Service	Total
<b>Contingency</b>									
* BP270: Board Contingency	350,000								350,000
* BP270: Administrative Contingency	700,000								700,000
* BP230: Capital Reserve Funds			1,870,000						1,870,000
Reserve for PERS changes		5,535,938							5,535,938
Reserve for restricted carry over/adjustment	1,300,000								1,300,000
International Stabilization Reserve				5,734,158					5,734,158
Operating contingency		1,653,246		2,253,641	400,000		207,500		4,514,387
<b>Total Contingency</b>	<b>2,350,000</b>	<b>7,189,184</b>	<b>1,870,000</b>	<b>7,987,799</b>	<b>400,000</b>	<b>-</b>	<b>207,500</b>	<b>-</b>	<b>20,004,483</b>
<b>Other Financing Sources-(Uses)</b>									
Transfers in/(out)	(2,758,478)	1,025,021	1,252,475	(1,446,500)	342,500	(4,000)	(50,000)	1,638,982	-
<b>Changes in fund balance</b>	<b>(9,078,076)</b>	<b>(7,164,184)</b>	<b>(6,722,133)</b>	<b>(8,000,000)</b>	<b>(475,000)</b>	<b>(225,000)</b>	<b>(725,000)</b>	<b>(618,812)</b>	<b>(33,008,205)</b>
Beginning Fund Balance	11,610,600	7,164,184	6,722,133	8,000,000	475,000	225,000	725,000	618,812	35,540,729
<b>Total resources/(uses)</b>	<b>2,532,524</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,532,524</b>
<b>Transfers to/(From) Fund Balance</b>									
* BP295: Unappropriated Ending Fund Balance	(2,532,524)								(2,532,524)
<b>Ending Fund Balance</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

\* 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.

**2016-17 ESTIMATED BEGINNING AND ENDING FUND BALANCE**

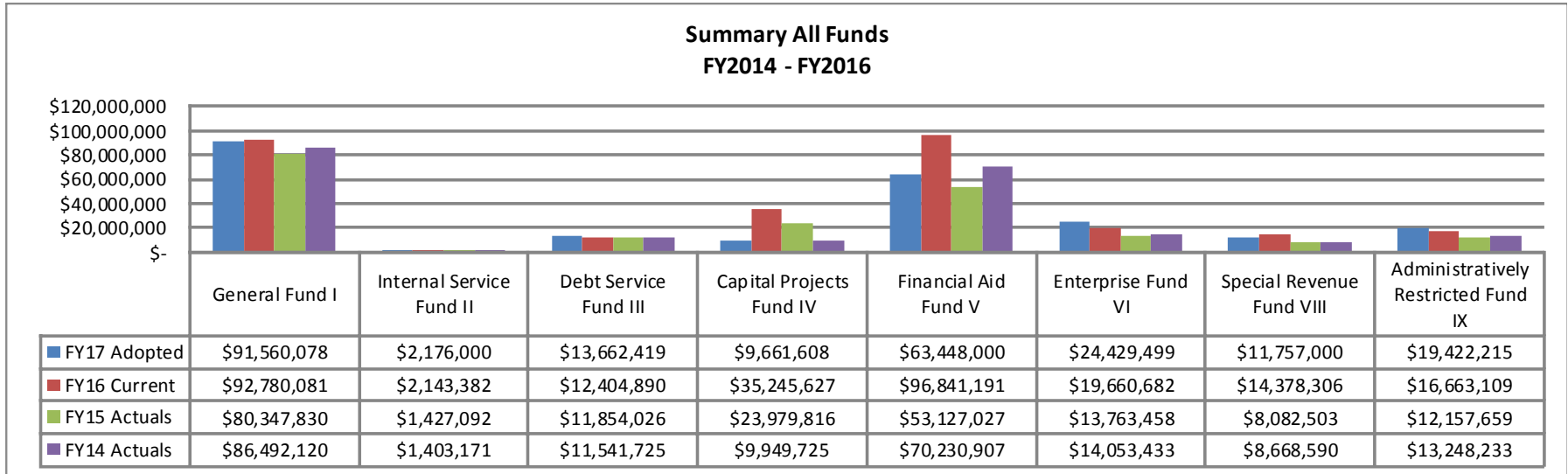
Fund Description	July 1, 2016 Fund Balance	June 30, 2017 Fund Balance	Dollar Change	Percent Change	Explanation of changes in fund balances > 10%
GENERAL FUND I	11,610,600	5,666,300	(5,944,300)	-105%	The proposed budget includes \$5,944,300 million of non-recurring resources that draw down the fund balance
ADMINISTRATIVELY RESTRICTED FUND IX	7,164,184	7,189,184	25,000	0%	
CAPITAL PROJECTS FUND IV	6,722,133	1,870,000	(4,852,133)	-72%	The college is winding down Bond 2008 bond projects of \$83 million.
ENTERPRISE FUND VI	8,000,000	7,987,799	(12,201)	0%	
INTERNAL SERVICE FUND II	475,000	400,000	(75,000)	-16%	The motorpool is expecting to refresh the vehicle fleet.
SPECIAL REVENUE FUND VIII	225,000	0	(225,000)	-100%	Most grants are on a reimbursement basis and the college tries to expend all resources it receives on the specific grant requirements.
FINANCIAL AID FUND V	725,000	207,500	(517,500)	-71%	The college tries to award or return all financial aid by fiscal year end. Includes a small carry forward for general fund scholarships.
DEBT SERVICE FUND III	618,812	0	(618,812)	-100%	The college budgets conservatively and tries to expend all resources it receives on debt service.
	35,540,729	23,320,783	(12,219,946)	-34.4%	



# **Annual Planning**

**Summary – All Funds**

FY 2013-14 ACTUAL	FY 2014-15 ACTUAL	FY 2015-16 BUDGET	Fund	FY 2016-17 PROPOSED	FY 2016-17 APPROVED	FY 2016-17 ADOPTED
86,492,120	80,347,830	92,780,081	General Fund I	90,802,078	90,802,078	<b>91,560,078</b>
1,403,171	1,427,092	2,143,382	Internal Service Fund II	2,176,000	2,176,000	<b>2,176,000</b>
11,541,725	11,854,026	12,404,890	Debt Service Fund III	13,662,419	13,662,419	<b>13,662,419</b>
9,949,725	23,979,816	35,245,627	Capital Projects Fund IV	9,661,608	9,661,608	<b>9,661,608</b>
70,230,907	53,127,027	96,841,191	Financial Aid Fund V	63,448,000	63,448,000	<b>63,448,000</b>
14,053,433	13,763,458	19,660,682	Enterprise Fund VI	24,429,499	24,429,499	<b>24,429,499</b>
8,668,590	8,082,503	14,378,306	Special Revenue Fund VIII	11,757,000	11,757,000	<b>11,757,000</b>
13,248,233	12,157,659	16,663,109	Administratively Restricted Fund IX	19,422,215	19,422,215	<b>19,422,215</b>
<b>215,587,904</b>	<b>204,739,411</b>	<b>290,117,268</b>	<b>Total All Funds</b>	<b>235,358,819</b>	<b>235,358,819</b>	<b>236,116,819</b>



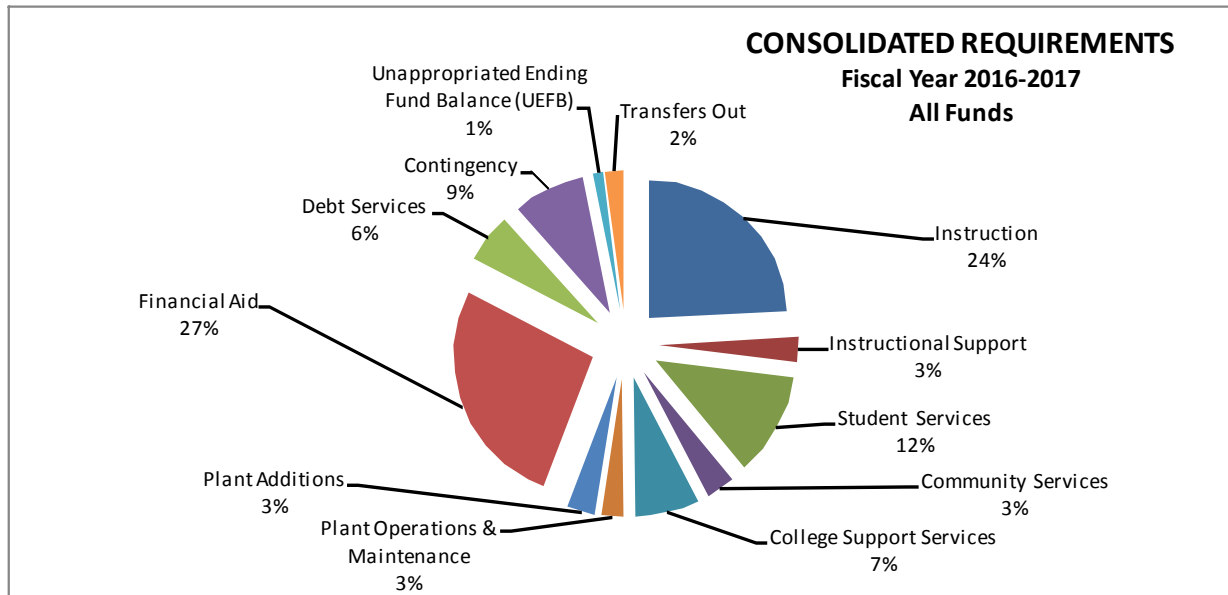
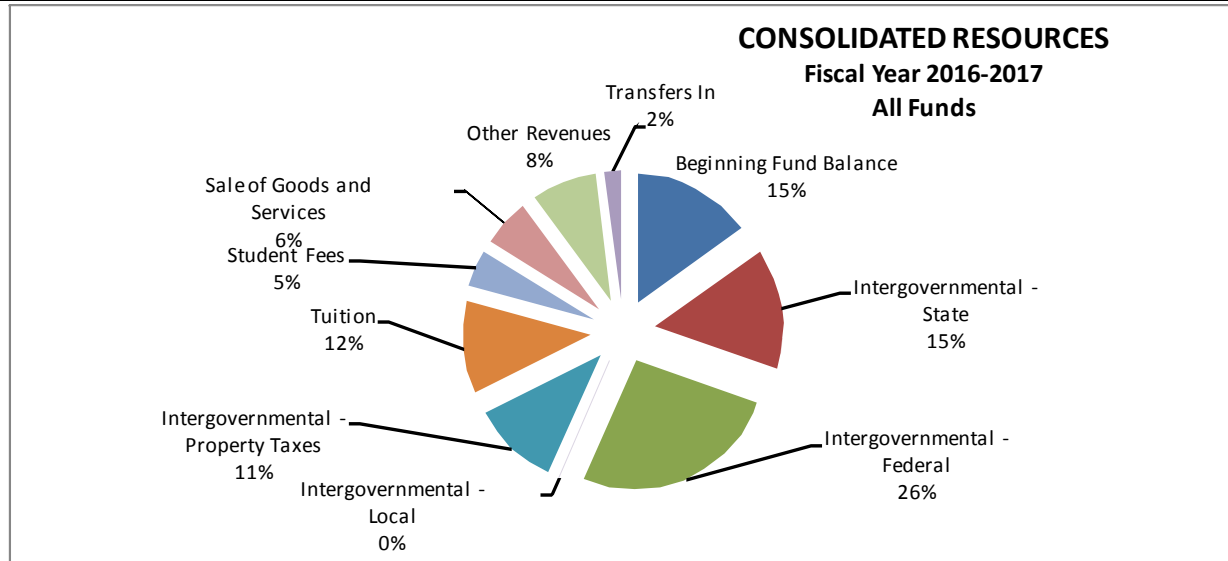
**Consolidated Resources & Requirements – All Funds**

FY 2013-14 ACTUAL	FY 2014-15 ACTUAL	FY 2015-16 BUDGET	Description of Resources and Requirements	FY 2016-17 PROPOSED	FY 2016-17 APPROVED	FY 2016-17 ADOPTED
<b>REVENUES</b>						
43,116,442	36,954,087	46,950,000	Intergovernmental - State	35,742,000	35,742,000	<b>35,742,000</b>
68,592,064	51,830,693	95,663,851	Intergovernmental - Federal	61,770,000	61,770,000	<b>61,770,000</b>
101,987	224,208	-	Intergovernmental - Local	300,000	300,000	<b>300,000</b>
23,260,643	24,510,201	23,475,435	Intergovernmental - Property Taxes	25,811,075	25,811,075	<b>25,811,075</b>
Tuition & Fees:						
33,596,049	30,021,227	25,887,211	Tuition	27,102,900	27,102,900	<b>27,822,900</b>
10,828,207	9,744,753	11,763,114	Student Fees	10,981,434	10,981,434	<b>11,019,434</b>
Other Sources:						
12,076,699	10,054,988	16,317,623	Sale of Goods and Services	14,222,826	14,222,826	<b>14,222,826</b>
23,072,291	17,511,255	26,437,478	Other Revenues	19,228,898	19,228,898	<b>19,228,898</b>
<u>214,644,382</u>	<u>180,851,412</u>	<u>246,494,712</u>	<b>TOTAL REVENUES</b>	<u>195,159,133</u>	<u>195,159,133</u>	<u><b>195,917,133</b></u>
<b>REQUIREMENTS</b>						
59,264,919	53,573,241	60,633,079	Instruction	56,456,804	56,652,899	<b>57,410,899</b>
6,290,607	6,299,429	6,952,418	Instructional Support	6,609,523	6,643,677	<b>6,643,677</b>
25,467,256	24,599,744	33,274,066	Student Services	28,657,778	28,616,139	<b>28,616,139</b>
6,823,133	6,460,168	7,745,306	Community Services	7,783,880	7,783,880	<b>7,783,880</b>
15,056,856	14,638,923	18,520,119	College Support Services	17,715,804	17,586,915	<b>17,586,915</b>
6,390,815	5,965,721	7,696,282	Plant Operations & Maintenance	6,294,539	6,234,818	<b>6,234,818</b>
9,930,375	23,977,266	33,605,329	Plant Additions	7,791,608	7,791,608	<b>7,791,608</b>
70,180,907	53,077,027	96,791,191	Financial Aid	63,190,500	63,190,500	<b>63,190,500</b>
11,541,725	11,854,026	12,404,890	Debt Services	13,662,419	13,662,419	<b>13,662,419</b>
-	-	4,190,350	Contingency	20,004,483	20,004,483	<b>20,004,483</b>
-	-	4,204,107	Unappropriated Ending Fund Balance (UEFB)	2,532,524	2,532,524	<b>2,532,524</b>
<u>210,946,593</u>	<u>200,445,544</u>	<u>286,017,137</u>	<b>TOTAL REQUIREMENTS</b>	<u>230,699,862</u>	<u>230,699,862</u>	<u><b>231,457,862</b></u>
<b>SUMMARY</b>						
214,644,382	180,851,412	246,494,712	Total Revenues	195,159,133	195,159,133	<b>195,917,133</b>
(210,946,593)	(200,445,544)	(286,017,137)	Less: Total Requirements	(230,699,862)	(230,699,862)	<b>(231,457,862)</b>
<u>3,697,789</u>	<u>(19,594,133)</u>	<u>(39,522,425)</u>	<b>REVENUES OVER-(UNDER) REQUIREMENTS</b>	<u>(35,540,729)</u>	<u>(35,540,729)</u>	<u><b>(35,540,729)</b></u>
<b>OTHER FINANCING SOURCES</b>						
4,641,310	4,293,867	4,100,131	Transfers In	4,658,957	4,658,957	<b>4,658,957</b>
(4,641,310)	(4,293,867)	(4,100,131)	Transfers Out	(4,658,957)	(4,658,957)	<b>(4,658,957)</b>
<u>-</u>	<u>-</u>	<u>-</u>	<b>TOTAL OTHER FINANCING SOURCES</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>CHANGES IN FUND BALANCE</b>						
59,778,966	63,476,754	39,522,423	Beginning Fund Balance	35,540,729	35,540,729	<b>35,540,729</b>
<u>63,476,755</u>	<u>43,882,621</u>	<u>-</u>	<b>ENDING FUND BALANCE</b>	<u>-</u>	<u>-</u>	<u>-</u>



Lane Community College FY2017 Budget and Fund Structure								
Fund I General Fund \$91,560,078	Fund IX Special Revenue Admin Restricted \$19,422,215	Fund II Internal Service Fund \$2,176,000	Fund III Debt Service Fund \$13,662,419	Fund IV Capital Projects Fund \$9,661,608	Fund V Financial Aid Fund \$63,448,000	Fund VI Enterprise Fund \$24,429,499	Fund VIII Special Revenue Fund \$11,757,000	
Transfers: \$2,825,978	Transfers: \$253,979	Transfers: \$53,500			Transfers: \$50,000	Transfers: \$1,471,500	Transfers: \$4,000	
Instruction \$47,044,287	Instruction \$5,316,605	<b>College Support Services</b> <u>\$1,722,500</u> Employee Wellness \$145,000 Motor Pool \$120,000 Printing & Graphics \$595,000 Telephone Services \$444,500 Warehouse Services \$418,000	<b>Debt Service</b> <u>\$13,662,419</u> Flight Service Technology \$27,316 Qualified Energy Conservation Bonds \$139,978 General Obligation Bonds \$7,355,375 Recovery Zone Bonds \$1,470,500 Pension Obligation Bonds \$4,669,250	Capital Projects \$7,791,608	Financial Aid \$63,190,500	Instruction \$117,127	Instruction \$4,932,880	
Instructional Support \$6,128,935	Instructional Support \$460,542			Contingency \$1,870,000	Contingency \$207,500	<b>Student Services</b> <u>\$14,853,073</u> Conference & Culinary \$1,600,000 Foodservices \$1,529,000 Housing Program \$1,165,000 International Student Program \$3,559,073 Titan Store \$7,000,000	Instructional Support \$54,200	
Student Services \$9,614,409	Student Services \$3,129,817						Student Services \$1,018,840	
College Support Services \$14,829,127	Community Services (KLCC) \$2,091,000						Community Services \$5,692,880	
Plant Operation & Maintenance FM&P \$6,234,818	College Support Services \$981,088			Contingency \$400,000			Contingency \$7,987,799	College Support Services \$54,200
Contingency \$2,350,000: UEFB \$2,532,524	Contingency \$7,189,184							

<span style="display: inline-block; width: 15px; height: 15px; background-color: #d9ead3; border: 1px solid black; margin-right: 5px;"></span> Instruction	<span style="display: inline-block; width: 15px; height: 15px; background-color: #fce4d6; border: 1px solid black; margin-right: 5px;"></span> College Support Services	<span style="display: inline-block; width: 15px; height: 15px; background-color: #d9d2e9; border: 1px solid black; margin-right: 5px;"></span> Debt Service
<span style="display: inline-block; width: 15px; height: 15px; background-color: #d9e1f2; border: 1px solid black; margin-right: 5px;"></span> Instructional Support	<span style="display: inline-block; width: 15px; height: 15px; background-color: #d9e1f2; border: 1px solid black; margin-right: 5px;"></span> Community Services	<span style="display: inline-block; width: 15px; height: 15px; background-color: #d9ead3; border: 1px solid black; margin-right: 5px;"></span> Capital Projects
<span style="display: inline-block; width: 15px; height: 15px; background-color: #d9ead3; border: 1px solid black; margin-right: 5px;"></span> Student Services	<span style="display: inline-block; width: 15px; height: 15px; background-color: #d9ead3; border: 1px solid black; margin-right: 5px;"></span> Plant Operations	



## Schedule of Interfund Transfers

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

	<u>Revenues</u>	<u>Expenditures</u>	<u>Remarks</u>
<b>GENERAL FUND I</b>			
To Internal Service Fund II	\$	\$ 396,000	Employee Wellness \$143,000; Telecommunications \$203,000; LaneStarter \$50,000
To Debt Service Fund III		139,978	Qualified Energy Conservation Loan
To Capital Projects Fund IV		1,037,000	Major Maintenance \$1,000,000; Distance Learning \$37,000
To Special Revenue-Administratively Restricted Fund IX		1,253,000	Child & Family Education \$145,000; KLCC \$200,000; Specialized Support Services \$300,000; Torch \$88,000; Flight Technology \$120,000; Health Clinic \$400,000
From Internal Service Fund II	3,500		Transfer authority contingency
From Financial Aid Fund V	50,000		Financial Aid transfer
From Special Revenue Fund VIII	4,000		Transfer authority contingency
From Special Revenue-Administratively Restricted Fund IX	10,000		Open Educational Resources Lead \$10,000
TOTAL	\$ 67,500	\$ 2,825,978	
<b>INTERNAL SERVICE FUND II</b>			
To General Fund I	\$	\$ 3,500	Transfer authority contingency
To Enterprise Fund VI		25,000	LaneStarter
To Special Revenue-Administratively Restricted Fund IX		25,000	LaneStarter
From General Fund I	396,000		Employee Wellness \$143,000; Telecommunications \$203,000; LaneStarter \$50,000
TOTAL	\$ 396,000	\$ 53,500	
<b>DEBT SERVICE FUND III</b>			
From General Fund I	\$ 139,978		Qualified Energy Conservation Loan
From Enterprise Fund VI	1,470,500		Recovery Zone Bonds
From Special Revenue-Administratively Restricted Fund IX	28,504		Debt Service for Flight Technology Loan
TOTAL	\$ 1,638,982	\$ -	

- Continued -

**SCHEDULE OF INTERFUND TRANSFERS**

	<u>Revenues</u>	<u>Expenditures</u>	<u>Remarks</u>
<b>CAPITAL PROJECTS FUND IV</b>			
From General Fund I	\$ 1,037,000	\$ -	Major Maintenance \$1,000,000; Distance Learning \$37,000 Transportation and Parking \$150,000; Longhouse \$65,475
From Special Revenue-Administratively Restricted Fund IX	215,475		
TOTAL	<u>\$ 1,252,475</u>	<u>\$ -</u>	
<b>FINANCIAL AID FUND V</b>			
To General Fund	\$ -	\$ 50,000	Financial Aid transfer
TOTAL	<u>\$ -</u>	<u>\$ 50,000</u>	
<b>ENTERPRISE FUND VI</b>			
To Debt Service Fund III	\$ -	\$ 1,470,500	Recovery Zone Bonds
To Special Revenue-Administratively Restricted Fund IX		1,000	Foodservices
From Internal Service Fund II	25,000	-	LaneStarter
TOTAL	<u>\$ 25,000</u>	<u>\$ 1,471,500</u>	
<b>SPECIAL REVENUE-G/C FUND VIII</b>			
To General Fund I	\$ -	\$ 4,000	Transfer authority contingency
TOTAL	<u>\$ -</u>	<u>\$ 4,000</u>	
<b>SPECIAL REVENUE-ADMINISTRATIVELY RESTRICTED FUND IX</b>			
To General Fund I	\$ -	\$ 10,000	Open Educational Resources Lead \$10,000
To Debt Service Fund III		28,504	Debt Service for Flight Technology Loan
To Capital Projects Fund IV		215,475	Transportation and Parking \$150,000; Longhouse \$65,475
From General Fund I	1,253,000		Child & Family Education \$145,000; KLCC \$200,000; Specialized Support Services \$300,000; Torch \$88,000; Flight Technology \$120,000; Health Clinic \$400,000
From Internal Service Fund II	25,000	-	LaneStarter
From Enterprise Fund VI	1,000		Foodservices
TOTAL	<u>\$ 1,279,000</u>	<u>\$ 253,979</u>	
<b>TOTAL TRANSFERS - ALL FUNDS</b>	<u><u>\$ 4,658,957</u></u>	<u><u>\$ 4,658,957</u></u>	

## Capital Budget – All Funds

### 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 and 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 thresholds defined below.

The threshold for classification of various capital purchases as fixed assets shall be as follows:

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 title/ownership of the assets belongs to Lane 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 transfers from the general fund to capital projects fund reflects board policy:

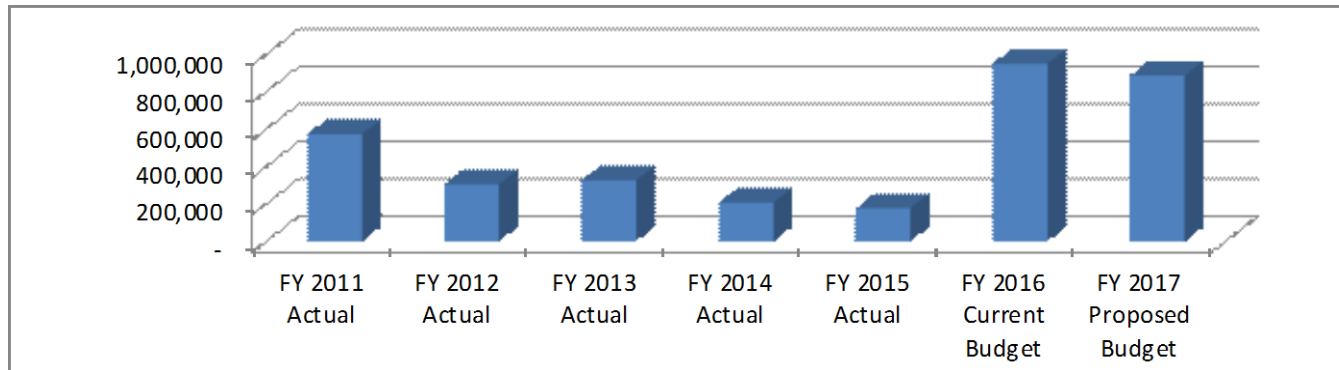
- Assure that plant and equipment are not subjected to improper wear and tear or insufficient maintenance. (*Board Policy 205.*)

## Lane Community College Capital Budget – All Funds & All Sources

	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017
	Actual	Actual	Actual	Actual	Actual	Current Budget	Proposed Budget
General Fund I	572,361	305,628	326,727	207,453	178,588	949,782	885,782
Administratively Restricted Fund IX	195,146	334,297	71,272	112,755	125,705	158,175	323,476
Internal Service Fund II	89,185	82,809	129,162	-	-	185,000	100,000
Capital Projects Fund IV	32,596,707	50,250,992	17,793,321	9,949,725	23,979,817	35,245,627	9,661,608
Enterprise Fund VI	57,822	229,176	69,869	45,598	300,125	310,000	30,000
Special Revenue Fund VIII	342,500	555,635	815,524	76,924	154,351	265,000	250,000
<b>Totals</b>	<b>33,853,721</b>	<b>51,758,537</b>	<b>19,205,876</b>	<b>10,392,455</b>	<b>24,738,586</b>	<b>37,113,584</b>	<b>11,250,866</b>

### General Fund I: Capital Budget

FY 2011 Actual	FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Actual	FY 2016 Current Budget	FY 2017 Proposed Budget
572,361	305,628	326,727	207,453	178,588	949,782	885,782



**Funding from General Fund**

The following table lists proposed FY2017 capital purchases to be funded through the general fund in Academic & Student Affairs (ASA) and College Services (CS):

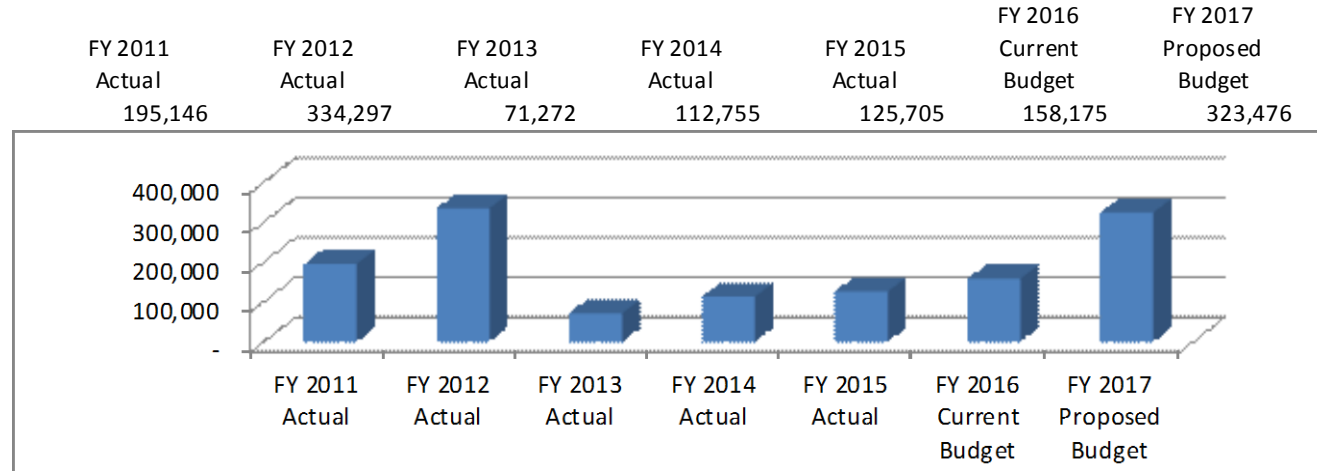
Department	Division	Purpose	Amounts
330110 - Information Technology	ASA	Technology equipment & software	\$72,500
525001 - Library Administration	ASA	Library books and periodicals	\$79,982
Academic & Student Services	ASA	TBD - Fall FY2017 Capital outlay process	\$350,000
College Services	CS	TBD - Fall FY2017 Capital outlay process	\$350,000

**Funding from Income Credit Program (ICP)**

ICP is designed to aid departments that generate special revenue from fees or charges which directly support a departmental activity or program within the general fund. The following table lists proposed FY2017 capital purchases to be funded through ICP:

Department	Division	Purpose	Amounts
525001 - Library Administration	ASA	Library books and periodicals	\$12,500
612205 - Welding Technology	ASA	Equipment replacement	\$10,800
661300 – Dental Hygiene	ASA	Equipment replacement	\$10,000

### Administratively Restricted Fund IX: Capital Budget

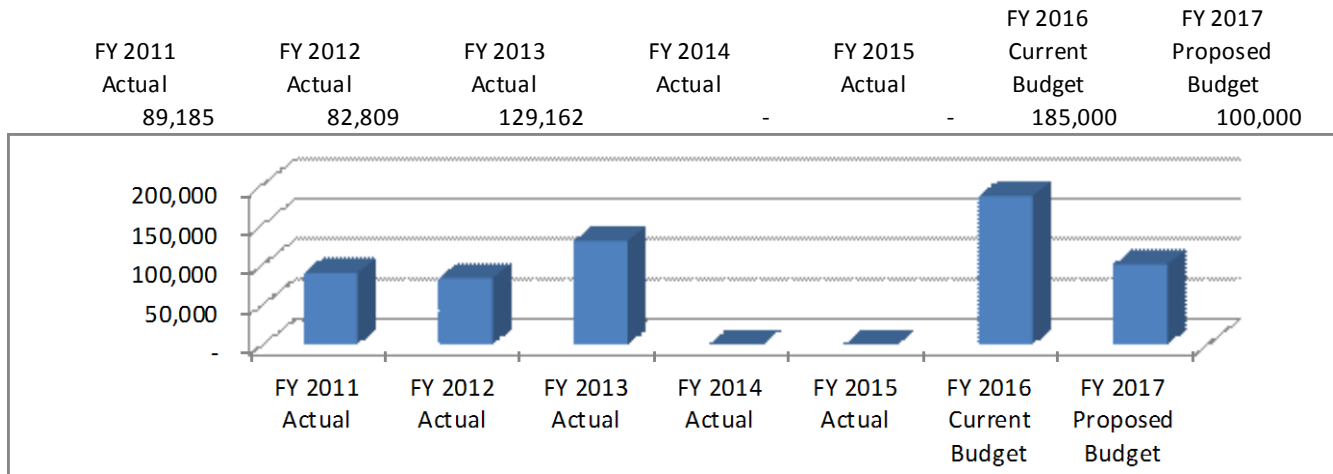


**Funding from Administratively Restricted Fund IX**

Administratively restricted funds are restricted to account for specific, identified programs. The following table lists proposed FY2017 capital purchases to be funded through the administratively restricted fund:

Department	Division	Purpose	Amounts
229050 – Bike Lane	CS	Bike Lane facility	\$200,000
265500 – KLCC Broadcasting	CS	Broadcasting equipment	\$123,476

### Internal Service Fund II: Capital Budget



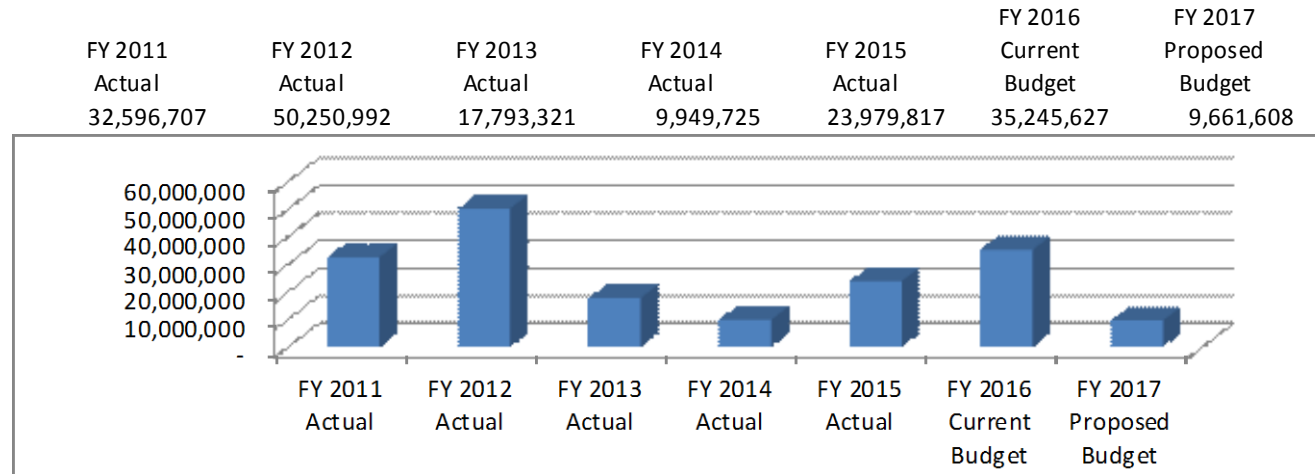
**Funding from Internal Services Resources**

Internal services resources are derived from charging other departments, funds and agencies within the college on a cost-reimbursement basis. The following table lists proposed FY2017 capital purchases to be funded through internal service resources:

Department	Division	Purpose	Amounts
270001-Printing & Graphics Admin	CS	Equipment replacement	\$25,000
220140-Motor Pool	CS	Fleet vehicle replacement	\$75,000



### Capital Projects Fund IV: Capital Budget



**Capital Project Funding**

Capital construction projects at Lane Community College consist of all major construction/remodeling projects that are funded by serial levies, plant funds, state funds, construction bonds, LCC Foundation donations, or other external sources. The following table lists proposed FY2017 capital projects to be funded through FY2017 capital project funding:

Project Title	Purpose	Amounts
Center Building	Project close out	\$350,000
Building 18 – 2 <sup>nd</sup> Floor remodel	Media Arts remodel and seismic upgrade	\$3,250,000
Central Plant Upgrade	Boilers, towers and chiller updates	\$2,500,000
LASR	Banner software and server replacement	\$241,608

In fiscal years 2011 and 2012 the major bond project was downtown campus. Starting in fiscal year 2013, the center building and central plant projects began. More information on the status of the projects can be found on the college’s website: [www.lanecc.edu/bond/projects-building](http://www.lanecc.edu/bond/projects-building).

**Impact of Capital Projects on Marginal Operating Costs**

Generally, projects that create new capital facilities or increase capacity will have associated long-term operating, preservation and maintenance costs.

The Leadership in Educational Facilities (APPA) professional association recommends the following formula to budget operating costs for new buildings:

- Annual maintenance costs at 2% of the construction cost.
- Custodial at \$1.95 per square foot.
- Utilities. The college’s cost for utilities in FY2014-15 was \$1.14 per square foot.
- Grounds cost per acre (if applicable). Lane currently spends approximately \$1,576 per acre for grounds upkeep.

**Capital Projects Fund IV: Capital Budget (continued)****Rehabilitation and Preservation of Existing Capital Assets**

Funding for Major Maintenance is a \$1,000,000 transfer from the general fund and \$450,000 previous year's carryover. The following list details proposed FY2017 capital rehabilitation and preservation of existing capital to be funded through the FY2017 proposed capital budget:

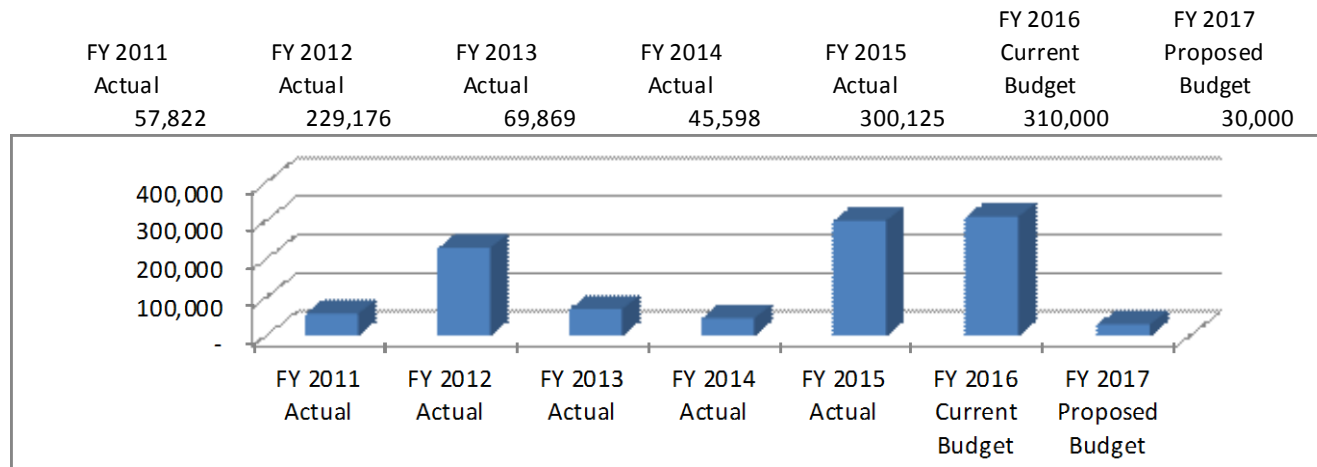
Project Title	Purpose	Amounts
Building 18 Roof	Replace roof that is beyond rated life.	\$450,000
Beam replacement	Remove exterior truss beams on Bldg. 9, 10 and 12. This is a \$1,100,000 project to finish incrementally over time.	\$150,000
Handrails	Replace worn wood and steel hand railing. Total project is \$680,000 to finish incrementally over time.	\$120,000
Concrete repairs	Fix concrete that is cracked and worn, creating safety hazards.	\$100,000
Titan Plaza	Safety improvements: add stairs, handrails and landscaping.	\$100,000
Building 3	Safety and security improvements.	\$60,000
Signage	Update campus way finding signage.	\$50,000
Restrooms	Add pipe insulation per American with Disabilities Act (ADA) requirements.	\$20,000
Unplanned	Typical expenditures include water damage from roof leaks, pipe failures, HVAC and electrical equipment. Facilities Management and Planning (FMP) has a Deferred Maintenance list of \$35.7 million.	\$400,000

**Policy BP230: Capital Reserve Fund**

The college shall establish and maintain separate reserve funds in capital projects fund IV. For the proposed FY2017 capital budget the capital reserve fund is being appropriated as contingency.

Project Title	Purpose	Amounts
Capital Reserve Funds (BP230)	Contingency for emergency and opportunities	\$1,870,000

### Enterprise Fund VI: Capital Budget

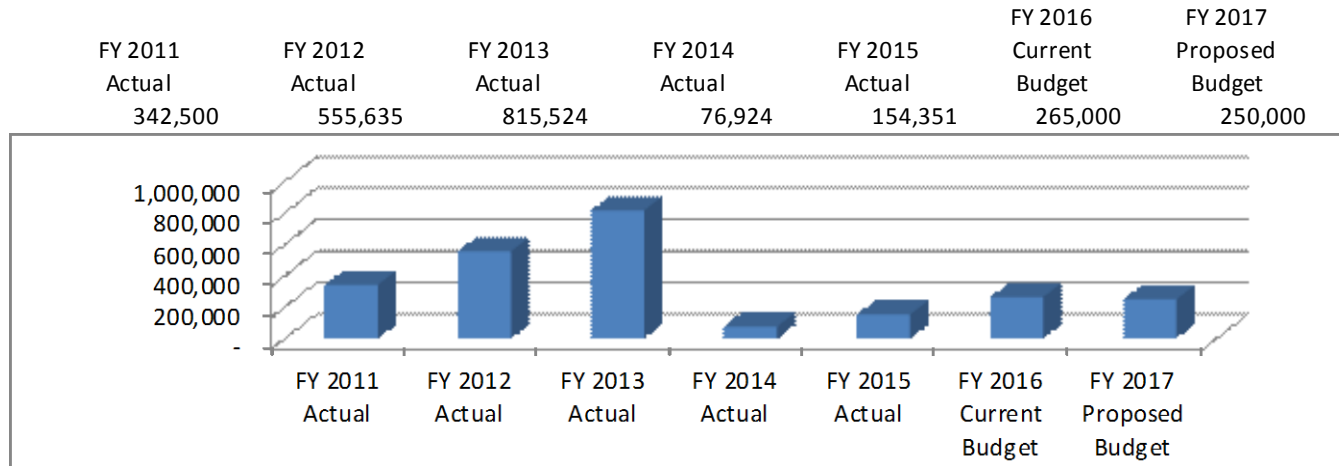


**Enterprise Fund VI**

Enterprise fund VI funding comes from activities that provide goods and services to students, staff and the public. The following table lists proposed FY2017 capital projects to be funded by enterprise fund VI:

Fund	Division	Purpose	Amounts
611200 – Center Food Service	ASA	Equipment replacement	\$30,000

### Special Revenue Fund VIII: Capital Budget



**Special Revenue Fund VIII**

Special revenue funding comes from revenues that are legally restricted to expenditures for specific purposes. The following table lists proposed FY2017 capital projects to be funded by special revenue:

Fund	Division	Purpose	Amounts
To be determined (TBD)	CS/ASA	TBD-budget authority for potential grants.	\$250,000



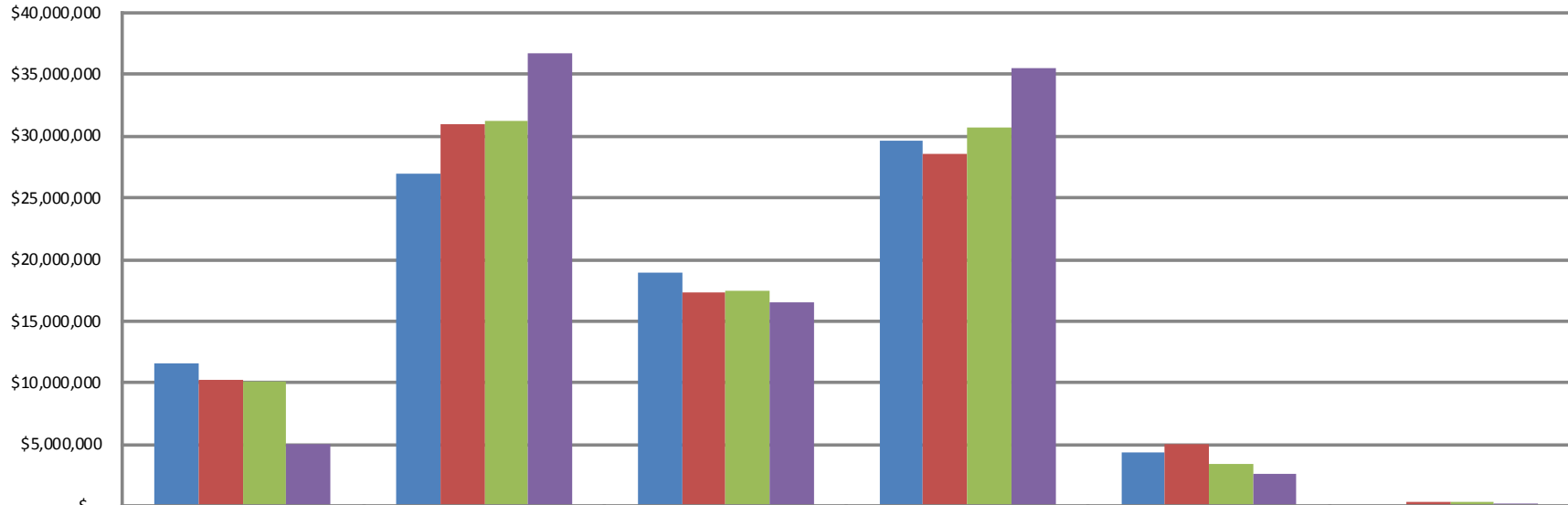
## **GENERAL FUND I**

## **ADMINISTRATIVELY RESTRICTED FUND IX**

**General Fund I Resources**

FY 2013-14 ACTUAL	FY 2014-15 ACTUAL	FY 2015-16 BUDGET	Description of Resources and Requirements	FY 2016-17 PROPOSED	FY 2016-17 APPROVED	FY 2016-17 ADOPTED
<b>RESOURCES</b>						
5,004,549	10,103,875	10,227,839	Beginning Fund Balance	11,610,600	11,610,600	<b>11,610,600</b>
36,770,335	31,212,953	31,030,000	Intergovernmental - State	26,930,000	26,930,000	<b>26,930,000</b>
16,513,061	17,527,816	17,405,000	Intergovernmental - Property Taxes	18,958,100	18,958,100	<b>18,958,100</b>
Tuition & Fees:						
31,443,694	27,667,587	23,485,800	Tuition	24,247,900	24,247,900	<b>24,967,900</b>
4,011,888	3,047,179	5,150,722	Student Fees	4,653,517	4,653,517	<b>4,691,517</b>
Other Sources:						
438,112	450,717	637,452	Sale of Goods and Services	727,300	727,300	<b>727,300</b>
155,576	169,037	300,000	Interest Income	165,000	165,000	<b>165,000</b>
571,061	1,293,697	2,850,000	Administrative Recovery	1,870,000	1,870,000	<b>1,870,000</b>
797,518	673,387	-	Other Fees & Charges	759,800	759,800	<b>759,800</b>
686,102	857,831	1,312,500	Other Revenue	812,361	812,361	<b>812,361</b>
<u>91,387,347</u>	<u>82,900,203</u>	<u>82,171,474</u>	<b>Total Revenues</b>	<u>79,123,978</u>	<u>79,123,978</u>	<u><b>79,881,978</b></u>
Transfers In:						
-	2,594	3,500	Transfer In Internal Services Fund II	3,500	3,500	<b>3,500</b>
19,350	2,550	-	Transfer In Capital Projects Fund IV	-	-	-
50,000	50,000	50,000	Transfer In Financial Aid Fund V	50,000	50,000	<b>50,000</b>
116,485	307,694	301,668	Transfer In Enterprise Fund VI	-	-	-
-	-	4,000	Transfer In Special Revenue Fund VIII	4,000	4,000	<b>4,000</b>
18,264	49,017	21,600	Transfer In Administratively Restricted IX	10,000	10,000	<b>10,000</b>
<u>204,099</u>	<u>411,855</u>	<u>380,768</u>	<b>Total Transfers In</b>	<u>67,500</u>	<u>67,500</u>	<u><b>67,500</b></u>
96,595,995	93,415,934	92,780,081	<b>TOTAL RESOURCES</b>	90,802,078	90,802,078	<b>91,560,078</b>

**GENERAL FUND RESOURCES**  
Fiscal Years 2014 through 2017



	Beginning Fund Balance	State Revenue	Property Taxes	Tuition & Fees	Other Sources	Transfers In
<span style="color: blue;">■</span> FY17 Adopted	\$11,610,600	\$26,930,000	\$18,958,100	\$29,659,417	\$4,334,461	\$67,500
<span style="color: red;">■</span> FY16 Current	\$10,227,839	\$31,030,000	\$17,405,000	\$28,636,522	\$5,099,952	\$380,768
<span style="color: green;">■</span> FY15 Actuals	\$10,103,875	\$31,212,953	\$17,527,816	\$30,714,766	\$3,444,669	\$411,855
<span style="color: purple;">■</span> FY14 Actuals	\$5,004,549	\$36,770,335	\$16,513,061	\$35,455,582	\$2,648,369	\$204,099

**General Fund I Requirements**

FY 2013-14 ACTUAL	FY 2014-15 ACTUAL	FY 2015-16 BUDGET	Description of Resources and Requirements	FY 2016-17 PROPOSED	FY 2016-17 APPROVED	FY 2016-17 ADOPTED
<b>REQUIREMENTS</b>						
<b>Instruction</b>						
1,823,091	1,387,075	1,481,951	Academic Learning Skills	1,154,405	1,154,405	<b>1,154,405</b>
1,747,533	1,847,919	1,727,547	Adult Basic & Secondary Education	1,550,870	1,549,679	<b>1,549,679</b>
3,317,592	3,424,837	3,285,235	Advanced Technologies	3,112,870	3,112,870	<b>3,112,870</b>
3,002,243	2,676,198	2,449,579	Art & Applied Design	2,262,391	2,263,388	<b>2,263,388</b>
3,414,137	3,000,541	2,943,784	Business & Computer Information Technology	2,771,108	2,598,337	<b>2,598,337</b>
-	-	-	Child & Family Education	381,384	381,384	<b>381,384</b>
1,884,889	1,619,062	1,577,177	Cooperative Education	1,432,141	1,430,508	<b>1,430,508</b>
511,574	401,443	515,000	Counseling	229,751	229,751	<b>229,751</b>
814,228	729,397	807,723	Culinary Arts & Hospitality	794,813	829,674	<b>829,674</b>
1,641,831	1,490,685	1,360,636	English as a Second Language	1,287,157	1,287,157	<b>1,287,157</b>
2,273,768	843,607	678,734	Extended Learning*	676,738	679,578	<b>679,578</b>
2,616,561	2,119,284	2,378,392	Health & Physical Education	2,066,750	2,000,687	<b>2,000,687</b>
7,321,317	6,920,011	6,862,493	Health Professions	7,550,355	7,516,681	<b>7,516,681</b>
561,042	451,321	240,032	Lane Community College at Cottage Grove	257,349	257,349	<b>257,349</b>
636,765	544,665	844,469	Lane Community College at Florence	562,936	564,127	<b>564,127</b>
6,178,693	5,184,445	5,031,279	Language, Literature & Communication	5,191,851	5,263,433	<b>5,263,433</b>
3,905,892	3,599,497	3,535,061	Mathematics	3,600,378	3,618,306	<b>3,618,306</b>
2,030,191	1,817,650	1,751,330	Music/Dance/Theatre Arts	1,670,211	1,660,914	<b>1,660,914</b>
168,154	39,556	-	Non-Departmental	1,855,000	2,204,771	<b>2,962,771</b>
4,348,051	4,055,422	3,992,569	Science	4,003,646	4,003,646	<b>4,003,646</b>
3,466,738	3,436,142	3,421,460	Social Science	3,170,954	3,168,506	<b>3,168,506</b>
149,448	137,920	1,258,560	Special Instructional Projects	330,000	330,000	<b>330,000</b>
187,731	178,054	-	Tutoring	177,134	181,136	<b>181,136</b>
-	98,021	-	Workforce Development	-	-	-
<b>52,001,468</b>	<b>46,002,755</b>	<b>46,143,010</b>	<b>Total Instruction</b>	<b>46,090,192</b>	<b>46,286,287</b>	<b>47,044,287</b>

\*Previously named Community Education; restructured in FY2015 and FY2016

Continued-



**General Fund I Requirements**

FY 2013-14 ACTUAL	FY 2014-15 ACTUAL	FY 2015-16 BUDGET	Description of Resources and Requirements	FY 2016-17 PROPOSED	FY 2016-17 APPROVED	FY 2016-17 ADOPTED
<b>Instructional Support</b>						
1,304,606	1,408,186	1,414,963	Academic & Student Affairs Office	1,365,029	1,365,029	<b>1,365,029</b>
836,025	796,503	1,480,032	Academic Technology^	982,471	982,471	<b>982,471</b>
218,458	435,094	394,818	Faculty Professional Development	390,963	390,963	<b>390,963</b>
253,103	231,526	288,312	Grant Coordination	236,582	236,582	<b>236,582</b>
300,492	332,705	308,825	High School Connections	335,255	335,255	<b>335,255</b>
489,180	503,393	-	Information Technology^	542,294	542,294	<b>542,294</b>
1,229,944	1,150,303	1,288,810	Library	1,272,678	1,264,664	<b>1,264,664</b>
4,110	-	-	Non-Departmental	-	-	-
1,130	2,111	-	Professional & Organizational Development^	44,298	44,298	<b>44,298</b>
-	-	-	Science	45,206	45,206	<b>45,206</b>
320,234	551,946	882,980	Special Instructional Projects	880,005	922,173	<b>922,173</b>
4,957,282	5,411,767	6,058,741	<b>Total Instructional Support</b>	6,094,781	6,128,935	<b>6,128,935</b>
<b>Student Services</b>						
2,620	5,837	-	ASLCC	4,000	4,000	<b>4,000</b>
-	-	-	Athletics	820,930	886,354	<b>886,354</b>
785,054	668,500	763,507	Center for Accessible Resources	508,998	581,034	<b>581,034</b>
109,033	146,046	291,069	Conference & Culinary Services	324,608	289,747	<b>289,747</b>
2,940,889	2,813,229	2,917,475	Counseling	2,759,781	2,831,563	<b>2,831,563</b>
2,054,571	1,568,459	1,714,713	Enrollment Services	1,513,236	1,422,302	<b>1,422,302</b>
10,609	90,024	100,371	High School Connections	103,754	103,754	<b>103,754</b>
13,824	6	-	Non-Departmental	-	-	-
50,611	25,960	116,400	Special Instructional Projects	194,565	194,565	<b>194,565</b>
1,141,954	1,538,196	1,497,863	Student Financial Services	1,527,145	1,463,257	<b>1,463,257</b>
704,115	789,362	762,824	Student Life & Leadership Development	724,272	724,272	<b>724,272</b>
-	-	-	Student Standards & Title IX	277,934	292,694	<b>292,694</b>
505,181	462,158	482,726	Women's Programs	477,983	402,025	<b>402,025</b>
-	-	195,699	Workforce Development	418,842	418,842	<b>418,842</b>
8,318,461	8,107,777	8,842,647	<b>Total Student Services</b>	9,656,048	9,614,409	<b>9,614,409</b>

^ Restated actuals

Continued-

**General Fund I Requirements**

FY 2013-14 ACTUAL	FY 2014-15 ACTUAL	FY 2015-16 BUDGET	Description of Resources and Requirements	FY 2016-17 PROPOSED	FY 2016-17 APPROVED	FY 2016-17 ADOPTED
<b>College Support Services</b>						
2,735	30,150	31,846	Archives & Records Management	33,006	33,006	<b>33,006</b>
41,348	43,310	20,000	Board of Education	20,000	20,000	<b>20,000</b>
1,001,431	1,034,717	1,181,769	College Finance^	1,392,151	1,311,659	<b>1,311,659</b>
696,545	715,912	1,369,088	College Services^	629,961	629,961	<b>629,961</b>
167,905	164,979	173,366	Curriculum & Scheduling	227,584	236,494	<b>236,494</b>
270,035	399,121	437,500	Governance & Administration	473,700	473,700	<b>473,700</b>
1,191,544	1,166,286	1,438,087	Human Resources^	1,274,420	1,274,420	<b>1,274,420</b>
4,001,963	4,103,590	4,190,819	Infrastructure Technology	3,842,985	3,747,818	<b>3,747,818</b>
600,365	599,008	635,564	Institutional Research, Assessment & Planning	614,447	614,447	<b>614,447</b>
108,194	385,630	412,391	Institute for Sustainable Practices	395,828	397,875	<b>397,875</b>
625,613	682,055	679,134	Lane Community College Foundation	698,902	698,902	<b>698,902</b>
517,869	540,401	496,750	Legal, Accounting & Administrative^	733,000	733,000	<b>733,000</b>
215,789	212,075	162,953	Mail Services	65,994	77,613	<b>77,613</b>
622,008	653,157	646,981	Marketing & Public Relations	723,870	723,870	<b>723,870</b>
1,002,976	(47,808)	-	Non-Departmental^	1,092,000	1,092,000	<b>1,092,000</b>
(2,241,748)	(1,367,856)	-	Other Personnel Expenditures^	-	-	-
1,144,353	1,314,697	1,193,769	President's Office^	1,183,483	1,194,684	<b>1,194,684</b>
218,083	148,677	-	Professional & Organizational Development^	159,090	159,090	<b>159,090</b>
1,321,609	1,318,219	1,377,980	Public Safety	1,397,595	1,410,588	<b>1,410,588</b>
11,508,617	12,096,321	14,447,997	<b>Total College Support Services</b>	14,958,016	14,829,127	<b>14,829,127</b>
<b>Plant Operations &amp; Maintenance</b>						
6,390,815	5,965,721	6,488,782	Facilities Management & Planning	6,294,539	6,234,818	<b>6,234,818</b>
6,390,815	5,965,721	6,488,782	<b>Total Plant Operations &amp; Maintenance</b>	6,294,539	6,234,818	<b>6,234,818</b>
<b>Contingency</b>						
-	-	3,940,350	Projects/Provisions	2,350,000	2,350,000	<b>2,350,000</b>
-	-	3,940,350	<b>Total Contingency</b>	2,350,000	2,350,000	<b>2,350,000</b>

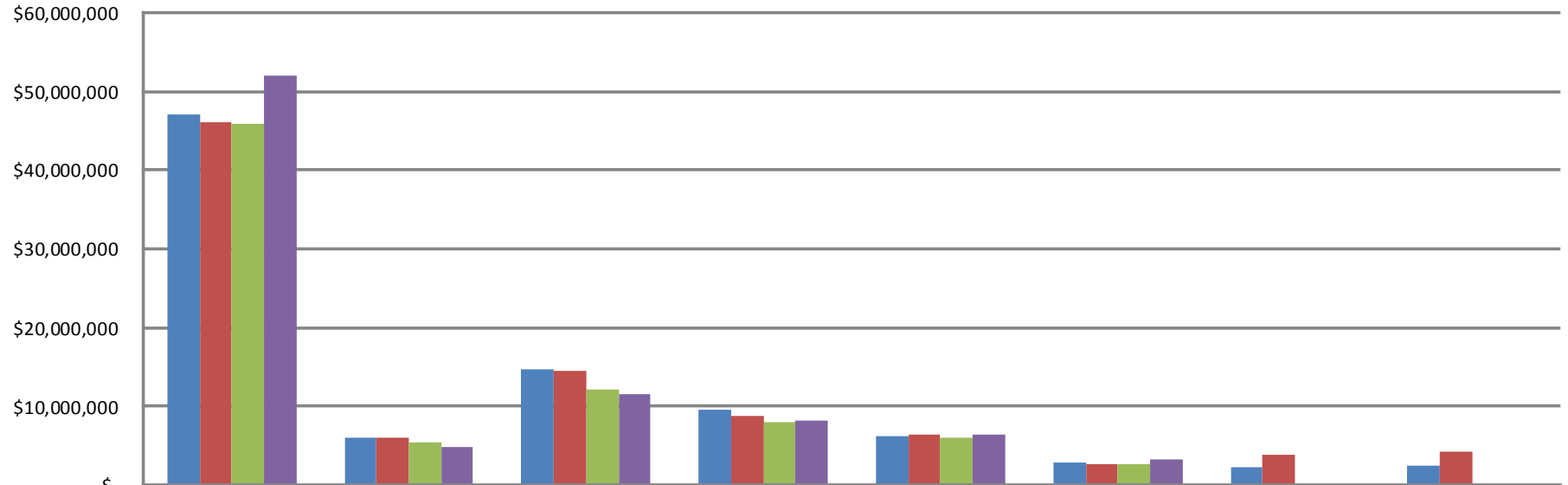
^ Restated actuals

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**General Fund I Requirements**

FY 2013-14 ACTUAL	FY 2014-15 ACTUAL	FY 2015-16 BUDGET	Description of Resources and Requirements	FY 2016-17 PROPOSED	FY 2016-17 APPROVED	FY 2016-17 ADOPTED
<b>Transfers Out:</b>						
305,794	360,748	349,930	To Internal Service Fund II	396,000	396,000	<b>396,000</b>
75,000	246,565	103,550	To Debt Service III	139,978	139,978	<b>139,978</b>
1,206,668	786,625	1,036,798	To Capital Projects Fund IV	1,037,000	1,037,000	<b>1,037,000</b>
47,641	187,397	-	To Financial Aid Fund V	-	-	-
-	5,782	-	To Enterprise Fund VI	-	-	-
1,680,374	1,176,372	1,164,170	To Administratively Restricted Fund IX	1,253,000	1,253,000	<b>1,253,000</b>
<u>3,315,477</u>	<u>2,763,489</u>	<u>2,654,448</u>	<b>Total Transfers Out</b>	<u>2,825,978</u>	<u>2,825,978</u>	<u><b>2,825,978</b></u>
<b>UEFB</b>						
-	-	4,204,107	Unappropriated Ending Fund Balance	2,532,524	2,532,524	<b>2,532,524</b>
<u>-</u>	<u>-</u>	<u>4,204,107</u>	<b>Total UEFB</b>	<u>2,532,524</u>	<u>2,532,524</u>	<u><b>2,532,524</b></u>
<b>TOTAL REQUIREMENTS</b>						
<u>86,492,120</u>	<u>80,347,830</u>	<u>92,780,081</u>		<u>90,802,078</u>	<u>90,802,078</u>	<u><b>91,560,078</b></u>
<b>SUMMARY</b>						
96,595,995	93,415,934	92,780,081	Total Resources	90,802,078	90,802,078	<b>91,560,078</b>
<u>(86,492,120)</u>	<u>(80,347,830)</u>	<u>(92,780,081)</u>	Less: Total Requirements	<u>(90,802,078)</u>	<u>(90,802,078)</u>	<u><b>(91,560,078)</b></u>
10,103,875	13,068,104	-	<b>RESOURCES OVER-(UNDER) EXPENDITURES</b>	-	-	-
<u>10,103,875</u>	<u>13,068,104</u>	<u>-</u>	<b>ENDING FUND BALANCE</b>	<u>-</u>	<u>-</u>	<u>-</u>

**GENERAL FUND REQUIREMENTS**  
Fiscal Years 2014 through 2017



	Instruction	Instructional Support	College Support Services	Student Services	Plant Operations	Transfers Out	Contingency	UEFB
FY17 Adopted	\$47,044,287	\$6,128,935	\$14,829,127	\$9,614,409	\$6,234,818	\$2,825,978	\$2,350,000	\$2,532,524
FY16 Current	\$46,143,010	\$6,058,741	\$14,447,997	\$8,842,647	\$6,488,782	\$2,654,448	\$3,940,350	\$4,204,107
FY15 Actuals	\$46,002,755	\$5,411,767	\$12,096,321	\$8,107,777	\$5,965,721	\$2,763,489	-	-
FY14 Actuals	\$52,001,468	\$4,957,282	\$11,508,617	\$8,318,461	\$6,390,815	\$3,315,477	-	-

**General Fund Requirements By Expense Category**

	<b>FY 2016-17 ADOPTED</b>	Personnel Services	Materials & Services	Capital Outlay	Transfers Out	Debt Service	Contingency
<b>Instruction</b>							
Academic Learning Skills	1,154,405	1,120,530	33,875	-	-	-	-
Adult Basic & Secondary Education	1,549,679	1,490,764	58,915	-	-	-	-
Advanced Technologies	3,112,870	2,788,969	313,101	10,800	-	-	-
Art & Applied Design	2,263,388	2,054,711	208,677	-	-	-	-
Business & Computer Information Technology	2,598,337	2,476,251	122,086	-	-	-	-
Child & Family Education	381,384	377,069	4,315	-	-	-	-
Cooperative Education	1,430,508	1,381,378	49,130	-	-	-	-
Counseling	229,751	229,751	-	-	-	-	-
Culinary Arts & Hospitality	829,674	574,165	255,509	-	-	-	-
English as a Second Language	1,287,157	1,261,367	25,790	-	-	-	-
Extended Learning	679,578	669,578	10,000	-	-	-	-
Flight Technology	120,000	-	-	-	120,000	-	-
Health & Physical Education	2,000,687	1,787,685	213,002	-	-	-	-
Health Professions	7,516,681	6,354,950	1,151,731	10,000	-	-	-
Lane Community College at Cottage Grove	257,349	219,209	38,140	-	-	-	-
Lane Community College at Florence	564,127	527,647	36,480	-	-	-	-
Language, Literature & Communication	5,263,433	5,155,784	107,649	-	-	-	-
Mathematics	3,618,306	3,560,141	58,165	-	-	-	-
Music/Dance/Theatre Arts	1,660,914	1,543,185	117,729	-	-	-	-
Non-Departmental	2,962,771	2,962,771	-	-	-	-	-
Science	4,003,646	3,889,898	113,748	-	-	-	-
Social Science	3,168,506	3,114,744	53,762	-	-	-	-
Special Instructional Projects	330,000	207,000	123,000	-	-	-	-
Tutoring	181,136	178,036	3,100	-	-	-	-
<b>Total Instruction</b>	<b>47,164,287</b>	<b>43,925,583</b>	<b>3,097,904</b>	<b>20,800</b>	<b>120,000</b>	<b>-</b>	<b>-</b>

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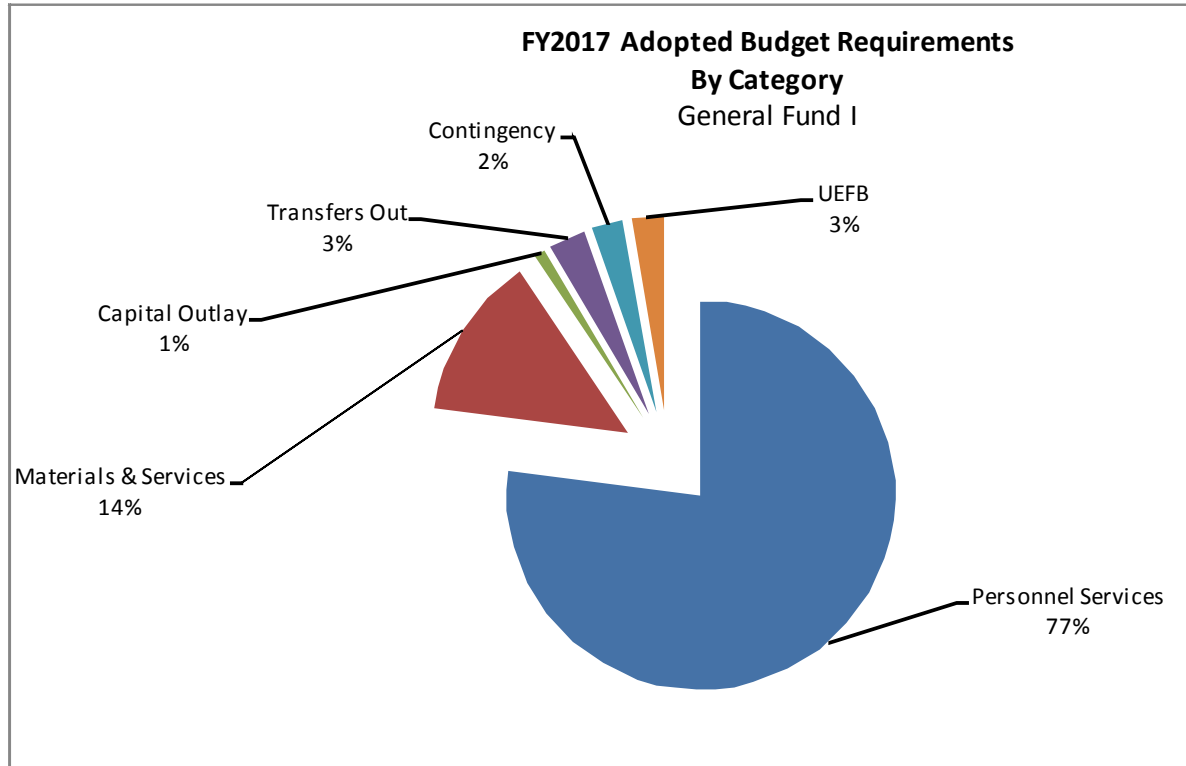
**General Fund Requirements by Expense Category**

	<b>FY 2016-17 ADOPTED</b>	Personnel Services	Materials & Services	Capital Outlay	Transfers Out	Debt Service	Contingency
<b>Instructional Support</b>							
Academic & Student Affairs Office	1,365,029	1,090,529	274,500	-	-	-	-
Academic Technology	1,019,471	833,236	149,235	-	37,000	-	-
Faculty Professional Development	390,963	-	390,963	-	-	-	-
Grant Coordination	236,582	234,982	1,600	-	-	-	-
High School Connections	335,255	321,978	13,277	-	-	-	-
Information Technology	542,294	542,294	-	-	-	-	-
Library	1,264,664	1,061,563	110,619	92,482	-	-	-
Professional & Organizational Development	44,298	44,298	-	-	-	-	-
Science	45,206	40,206	5,000	-	-	-	-
Special Instructional Projects	922,173	423,723	498,450	-	-	-	-
<b>Total Instructional Support</b>	<b>6,165,935</b>	<b>4,592,809</b>	<b>1,443,644</b>	<b>92,482</b>	<b>37,000</b>	-	-
<b>Student Services</b>							
ASLCC	4,000	-	4,000	-	-	-	-
Athletics	886,354	590,354	296,000	-	-	-	-
Center for Accessible Resources	581,034	556,614	24,420	-	-	-	-
Child & Family Education	145,000	-	-	-	145,000	-	-
Conference & Culinary Services	289,747	289,747	-	-	-	-	-
Counseling	2,831,563	2,710,427	121,136	-	-	-	-
Enrollment Services	1,422,302	1,257,111	165,191	-	-	-	-
Health Clinic	400,000	-	-	-	400,000	-	-
High School Connections	103,754	81,954	21,800	-	-	-	-
Special Instructional Projects	194,565	134,565	60,000	-	-	-	-
Student Financial Services	1,463,257	1,409,757	53,500	-	-	-	-
Student Life & Leadership Development	724,272	602,652	121,620	-	-	-	-
Student Standards & Title IX	292,694	283,194	9,500	-	-	-	-
The Torch	88,000	-	-	-	88,000	-	-
Women's Programs	402,025	389,796	12,229	-	-	-	-
Workforce Development	418,842	400,842	18,000	-	-	-	-
<b>Total Student Services</b>	<b>10,247,409</b>	<b>8,707,013</b>	<b>907,396</b>	-	<b>633,000</b>	-	-

Continued

**General Fund Requirements by Expense Category**

	<b>FY 2016-17 ADOPTED</b>	Personnel Services	Materials & Services	Capital Outlay	Transfers Out	Debt Service	Contingency
<b>Community Services</b>							
KLCC FM	<b>200,000</b>	-	-	-	200,000	-	-
<b>Total Community Services</b>	<b>200,000</b>	-	-	-	200,000	-	-
<b>College Support Services</b>							
Archives & Records Management	<b>33,006</b>	28,206	4,800	-	-	-	-
Board of Education	<b>20,000</b>	-	20,000	-	-	-	-
College Finance	<b>1,451,637</b>	1,135,359	176,300	-	139,978	-	-
College Services	<b>679,961</b>	569,461	60,500	-	50,000	-	-
Curriculum & Scheduling	<b>236,494</b>	229,119	7,375	-	-	-	-
Employee Wellness	<b>143,000</b>	-	-	-	143,000	-	-
Governance & Administration	<b>473,700</b>	-	473,700	-	-	-	-
Human Resources	<b>1,274,420</b>	1,130,971	143,449	-	-	-	-
Infrastructure Technology	<b>3,950,818</b>	2,632,626	1,042,692	72,500	203,000	-	-
Institutional Research, Assessment & Planning	<b>614,447</b>	569,807	44,640	-	-	-	-
Institute for Sustainable Practices	<b>397,875</b>	285,795	112,080	-	-	-	-
Lane Community College Foundation	<b>698,902</b>	698,902	-	-	-	-	-
Legal, Accounting & Administrative	<b>733,000</b>	-	733,000	-	-	-	-
Mail Services	<b>77,613</b>	54,013	23,600	-	-	-	-
Marketing & Public Relations	<b>723,870</b>	256,070	467,800	-	-	-	-
Non-Departmental	<b>1,092,000</b>	207,000	185,000	700,000	-	-	-
President's Office	<b>1,194,684</b>	1,034,434	160,250	-	-	-	-
Professional & Organizational Development	<b>159,090</b>	-	159,090	-	-	-	-
Public Safety	<b>1,410,588</b>	1,239,720	170,868	-	-	-	-
Specialized Support Services	<b>300,000</b>	-	-	-	300,000	-	-
<b>Total College Support Services</b>	<b>15,665,105</b>	10,071,483	3,985,144	772,500	835,978	-	-
<b>Plant Operations &amp; Maintenance</b>							
Facilities Management & Planning	<b>7,234,818</b>	3,232,891	3,001,927	-	1,000,000	-	-
<b>Total Plant Operations &amp; Maintenance</b>	<b>7,234,818</b>	3,232,891	3,001,927	-	1,000,000	-	-
<b>Contingency</b>							
Projects/Provisions	<b>2,350,000</b>	-	-	-	-	-	2,350,000
Unappropriated Ending Fund Balance (UEFB)	<b>2,532,524</b>	-	-	-	-	-	2,532,524
<b>Total Contingency</b>	<b>4,882,524</b>	-	-	-	-	-	4,882,524
<b>Total General Fund Requirements</b>	<b>91,560,078</b>	70,529,779	12,436,015	885,782	2,825,978	-	4,882,524

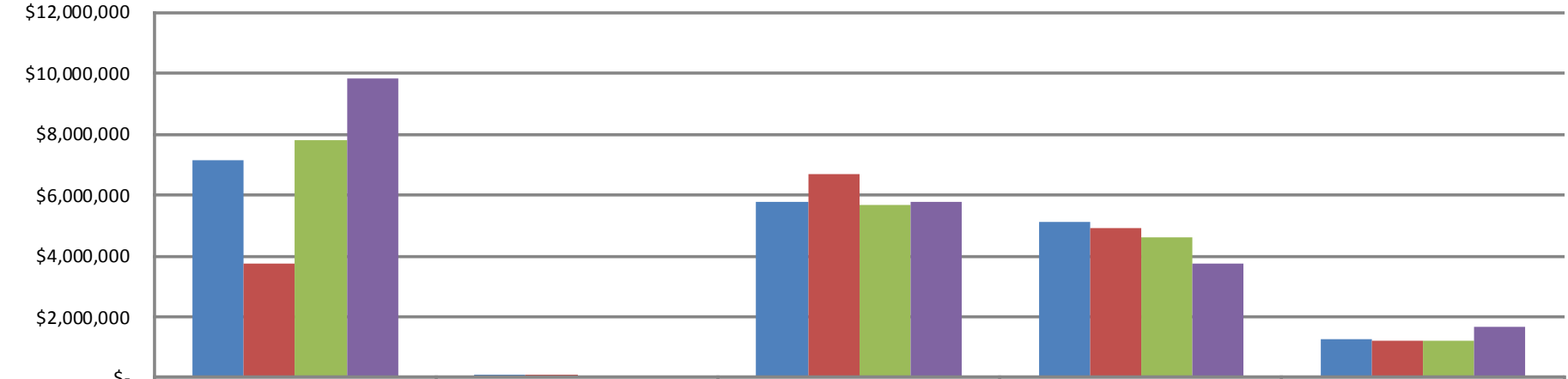




**Administratively Restricted – Fund IX - Resources**

FY 2013-14 ACTUAL	FY 2014-15 ACTUAL	FY 2015-16 BUDGET	Description of Resources and Requirements	FY 2016-17 PROPOSED	FY 2016-17 APPROVED	FY 2016-17 ADOPTED
<b>RESOURCES</b>						
9,830,638	7,803,370	3,759,565	Beginning Fund Balance	7,164,184	7,164,184	<b>7,164,184</b>
-	-	50,000	Intergovernmental - State	-	-	-
30,395	33,277	30,000	Intergovernmental - Federal	105,000	105,000	<b>105,000</b>
Tuition & Fees:						
375,169	236,880	315,021	Tuition	455,000	455,000	<b>455,000</b>
5,379,745	5,450,507	6,385,627	Student Fees	5,318,917	5,318,917	<b>5,318,917</b>
640,418	724,669	845,500	Other Fees & Charges	949,049	949,049	<b>949,049</b>
1,860,648	2,167,881	2,182,671	Sale of Goods and Services	2,112,526	2,112,526	<b>2,112,526</b>
3,023	3,442	9,000	Interest Income	9,000	9,000	<b>9,000</b>
1,251,193	1,694,637	1,895,553	Other Revenue	2,029,539	2,029,539	<b>2,029,539</b>
<u>9,540,591</u>	<u>10,311,294</u>	<u>11,713,372</u>	<b>Total Revenues</b>	<u>10,979,031</u>	<u>10,979,031</u>	<u><b>10,979,031</b></u>
Transfers In:						
1,680,374	1,176,372	1,164,170	Transfer In General Fund I	1,253,000	1,253,000	<b>1,253,000</b>
-	8,767	25,000	Transfer In Internal Services Fund II	25,000	25,000	<b>25,000</b>
-	22,043	1,000	Transfer In Enterprise Fund VI	1,000	1,000	<b>1,000</b>
<u>1,680,374</u>	<u>1,207,182</u>	<u>1,190,170</u>	<b>Total Transfers In</b>	<u>1,279,000</u>	<u>1,279,000</u>	<u><b>1,279,000</b></u>
<u>21,051,603</u>	<u>19,321,846</u>	<u>16,663,107</u>	<b>TOTAL RESOURCES</b>	<u>19,422,215</u>	<u>19,422,215</u>	<u><b>19,422,215</b></u>

**Administratively Restricted Fund IX  
Resources  
Fiscal Years 2014 through 2017**



	Beginning Fund Balance	Federal Revenue	Tuition & Fees	Other Sources	Transfers In
FY17 Adopted	\$7,164,184	\$105,000	\$5,773,917	\$5,100,114	\$1,279,000
FY16 Current	\$3,759,565	\$80,000	\$6,700,648	\$4,932,724	\$1,190,170
FY15 Actuals	\$7,803,370	\$33,277	\$5,687,387	\$4,590,630	\$1,207,182
FY14 Actuals	\$9,830,638	\$30,395	\$5,754,914	\$3,755,282	\$1,680,374

**Administratively Restricted – Fund IX – Requirements**

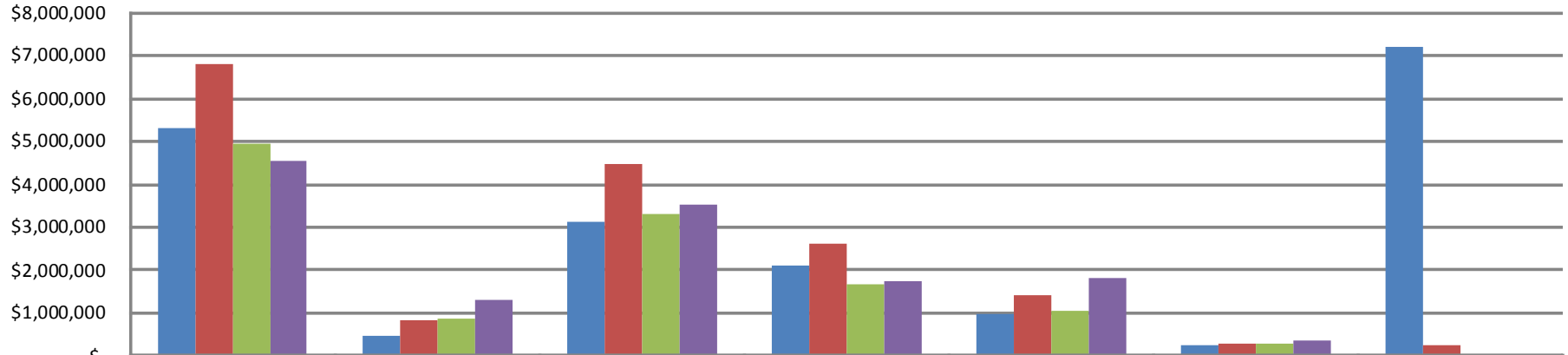
FY 2013-14 ACTUAL	FY 2014-15 ACTUAL	FY 2015-16 BUDGET	Description of Resources and Requirements	FY 2016-17 PROPOSED	FY 2016-17 APPROVED	FY 2016-17 ADOPTED
<b>REQUIREMENTS</b>						
<b>Instruction</b>						
4,272	818	3,750	Advanced Technologies	-	-	-
387,859	360,303	377,205	Child Development Center	-	-	-
142,299	1,251,989	1,903,799	Extended Learning	1,469,545	1,469,545	<b>1,469,545</b>
1,147,857	1,019,571	1,052,925	Flight Technology	1,111,736	1,111,736	<b>1,111,736</b>
725,490	518,063	740,338	Institute for Sustainable Practices	607,875	607,875	<b>607,875</b>
140	-	-	Non-Departmental	-	-	-
1,591,303	1,469,029	1,424,681	Specialized Support Services	1,390,000	1,390,000	<b>1,390,000</b>
11,953	13,118	17,000	Student Restaurant	17,000	17,000	<b>17,000</b>
519,163	327,595	1,270,371	Technology Fee	720,449	720,449	<b>720,449</b>
4,530,264	4,960,487	6,790,069	<b>Total Instruction</b>	5,316,605	5,316,605	<b>5,316,605</b>
<b>Instructional Support</b>						
-	-	15,000	OSBDCN	-	-	-
99,530	87,017	101,000	Regional Technical Education Consortium	120,000	120,000	<b>120,000</b>
3,062	102,080	55,618	Special Instruction Projects	40,476	40,476	<b>40,476</b>
1,190,567	662,561	672,059	Technology Fee	300,066	300,066	<b>300,066</b>
1,293,158	851,658	843,677	<b>Total Instructional Support</b>	460,542	460,542	<b>460,542</b>
<b>Student Services</b>						
325,122	348,005	486,635	ASLCC	299,899	299,899	<b>299,899</b>
633,410	654,335	795,675	Athletics	-	-	-
930,919	867,897	860,180	Child & Family Education	825,631	825,631	<b>825,631</b>
850,819	940,635	1,665,229	Health Clinic	1,274,286	1,274,286	<b>1,274,286</b>
-	-	-	Special Instruction Projects	75,000	75,000	<b>75,000</b>
304,972	241,001	259,702	Student Life & Leadership Development	377,420	377,420	<b>377,420</b>
38,689	22,213	46,739	Student Productions Association	11,912	11,912	<b>11,912</b>
177,840	26,704	-	Technology Fee	-	-	-
176,443	173,006	222,987	The Torch	157,519	157,519	<b>157,519</b>
82,514	44,042	120,260	Women's Programs	108,150	108,150	<b>108,150</b>
3,520,801	3,317,839	4,457,407	<b>Total Student Services</b>	3,129,817	3,129,817	<b>3,129,817</b>

Continued

**Administratively Restricted Fund IX - Requirements**

FY 2013-14 ACTUAL	FY 2014-15 ACTUAL	FY 2015-16 BUDGET	Description of Resources and Requirements	FY 2016-17 PROPOSED	FY 2016-17 APPROVED	FY 2016-17 ADOPTED
<b>Community Services</b>						
1,736,559	1,670,182	2,621,000	KLCC FM Operations	2,091,000	2,091,000	2,091,000
1,736,559	1,670,182	2,621,000	<b>Total Community Services</b>	2,091,000	2,091,000	2,091,000
<b>College Support Services</b>						
263,913	-	-	Health Clinic	-	-	-
-	-	25,000	Institute for Sustainable Practices	200,500	200,500	200,500
279,350	-	-	Non-Departmental	-	-	-
382,217	376,239	137,569	Technology Fee	143,485	143,485	143,485
878,414	683,883	1,261,872	Transportation	637,103	637,103	637,103
1,803,894	1,060,121	1,424,441	<b>Total College Support Services</b>	981,088	981,088	981,088
<b>Transfers Out:</b>						
18,264	49,017	21,600	To General Fund I	10,000	10,000	10,000
25,000	23,867	27,315	To Debt Service III	28,504	28,504	28,504
230,268	224,489	227,600	To Capital Projects Fund IV	215,475	215,475	215,475
90,024	-	-	To Financial Aid Fund V	-	-	-
363,556	297,373	276,515	<b>Total Transfers Out</b>	253,979	253,979	253,979
<b>Contingency</b>						
-	-	250,000	Projects/Provisions	7,189,184	7,189,184	7,189,184
-	-	250,000	<b>Total Contingency</b>	7,189,184	7,189,184	7,189,184
13,248,233	12,157,659	16,663,109	<b>TOTAL REQUIREMENTS</b>	19,422,215	19,422,215	19,422,215
7,803,370	7,164,187	-	<b>ENDING FUND BALANCE</b>	-	-	-
<b>SUMMARY</b>						
21,051,603	19,321,846	16,663,109	Total Resources	19,422,215	19,422,215	19,422,215
(13,248,233)	(12,157,659)	(16,663,109)	Less: Total Requirements	(19,422,215)	(19,422,215)	(19,422,215)
7,803,370	7,164,187	-	<b>RESOURCES OVER-(UNDER) EXPENDITURES</b>	-	-	-

**Administratively Restricted Fund IX  
Requirements  
Fiscal Years 2014 through 2017**



	Instruction	Instructional Support	Student Services	Community Services	College Support Services	Transfers Out	Contingency
FY17 Adopted	\$5,316,605	\$460,542	\$3,129,817	\$2,091,000	\$981,088	\$253,979	\$7,189,184
FY16 Current	\$6,790,069	\$843,677	\$4,457,407	\$2,621,000	\$1,424,441	\$276,515	\$250,000
FY15 Actuals	\$4,960,487	\$851,658	\$3,317,839	\$1,670,182	\$1,060,121	\$297,373	-
FY14 Actuals	\$4,530,264	\$1,293,158	\$3,520,801	\$1,736,559	\$1,803,894	\$363,556	-



**INTERNAL SERVICE FUND II**  
**DEBT SERVICE FUND III**  
**LONG TERM DEBT OBLIGATIONS**  
**CAPITAL PROJECTS FUND IV**  
**FINANCIAL AID FUND V**  
**ENTERPRISE FUND VI**  
**SPECIAL REVENUE FUND VIII**

**Internal Service Fund II**

FY 2013-14 ACTUAL	FY 2014-15 ACTUAL	FY 2015-16 BUDGET	Description of Resources and Requirements	FY 2016-17 PROPOSED	FY 2016-17 APPROVED	FY 2016-17 ADOPTED
<b>RESOURCES</b>						
458,911	463,364	170,952	Beginning Fund Balance	475,000	475,000	<b>475,000</b>
1,044,463	984,831	1,542,000	Sale of Goods and Services	1,233,000	1,233,000	<b>1,233,000</b>
815	1,615	3,000	Student Fees	2,000	2,000	<b>2,000</b>
41,024	32,633	45,000	Other Fees & Charges	45,000	45,000	<b>45,000</b>
15,528	8,952	32,500	Other Revenue	25,000	25,000	<b>25,000</b>
<u>1,101,830</u>	<u>1,028,031</u>	<u>1,622,500</u>	<b>Total Revenues</b>	<u>1,305,000</u>	<u>1,305,000</u>	<u><b>1,305,000</b></u>
<b>Transfers In</b>						
305,794	360,748	349,930	Transfer In General Fund I	396,000	396,000	<b>396,000</b>
<u>305,794</u>	<u>360,748</u>	<u>349,930</u>	<b>Total Transfers In</b>	<u>396,000</u>	<u>396,000</u>	<u><b>396,000</b></u>
<u>1,866,535</u>	<u>1,852,143</u>	<u>2,143,382</u>	<b>TOTAL RESOURCES</b>	<u>2,176,000</u>	<u>2,176,000</u>	<u><b>2,176,000</b></u>
<b>REQUIREMENTS</b>						
<b>College Support Services</b>						
158,652	134,204	145,847	Employee Wellness	145,000	145,000	<b>145,000</b>
10,450	11,534	67,500	Motor Pool	120,000	120,000	<b>120,000</b>
809,690	774,142	1,067,999	Printing & Graphics and Warehouse	1,013,000	1,013,000	<b>1,013,000</b>
424,379	432,936	808,536	Telephone Services	444,500	444,500	<b>444,500</b>
<u>1,403,171</u>	<u>1,352,816</u>	<u>2,089,882</u>	<b>Total College Support Services</b>	<u>1,722,500</u>	<u>1,722,500</u>	<u><b>1,722,500</b></u>
<b>Contingency</b>						
-	-	-	Projects/Provisions	400,000	400,000	<b>400,000</b>
<u>-</u>	<u>-</u>	<u>-</u>	<b>Total Contingency</b>	<u>400,000</u>	<u>400,000</u>	<u><b>400,000</b></u>
<b>Transfers Out:</b>						
-	2,594	3,500	To General Fund I	3,500	3,500	<b>3,500</b>
-	62,915	25,000	To Enterprise Fund VI	25,000	25,000	<b>25,000</b>
-	8,767	25,000	To Administratively Restricted Fund IX	25,000	25,000	<b>25,000</b>
<u>-</u>	<u>74,276</u>	<u>53,500</u>	<b>Total Transfers Out</b>	<u>53,500</u>	<u>53,500</u>	<u><b>53,500</b></u>
<u>1,403,171</u>	<u>1,427,092</u>	<u>2,143,382</u>	<b>TOTAL REQUIREMENTS</b>	<u>2,176,000</u>	<u>2,176,000</u>	<u><b>2,176,000</b></u>
<u>463,364</u>	<u>425,051</u>	<u>-</u>	<b>ENDING FUND BALANCE</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>SUMMARY</b>						
1,866,535	1,852,143	2,143,382	Total Resources	2,176,000	2,176,000	<b>2,176,000</b>
(1,403,171)	(1,427,092)	(2,143,382)	Less: Total Requirements	(2,176,000)	(2,176,000)	<b>(2,176,000)</b>
<u>463,364</u>	<u>425,051</u>	<u>-</u>	<b>RESOURCES OVER-(UNDER) EXPENDITURES</b>	<u>-</u>	<u>-</u>	<u>-</u>

**Debt Service Fund III**

FY 2013-14 ACTUAL	FY 2014-15 ACTUAL	FY 2015-16 BUDGET	Description of Resources and Requirements	FY 2016-17 PROPOSED	FY 2016-17 APPROVED	FY 2016-17 ADOPTED
<b>RESOURCES</b>						
1,396,368	1,505,634	1,000,000	Beginning Fund Balance	618,812	618,812	<b>618,812</b>
6,747,582	6,982,386	6,070,435	Intergovernmental - Property Taxes	6,852,975	6,852,975	<b>6,852,975</b>
2,717	2,749	340	Interest	2,600	2,600	<b>2,600</b>
4,024,250	4,229,250	4,444,250	Other Revenue - PERS Bond	4,549,050	4,549,050	<b>4,549,050</b>
<u>10,774,549</u>	<u>11,214,385</u>	<u>10,515,025</u>	<b>Total Revenues</b>	<u>11,404,625</u>	<u>11,404,625</u>	<u><b>11,404,625</b></u>
<b>Transfers In</b>						
75,000	246,565	103,550	Transfer In General Fund I	139,978	139,978	<b>139,978</b>
776,442	776,442	759,000	Transfer In Enterprise Fund VI	1,470,500	1,470,500	<b>1,470,500</b>
25,000	23,867	27,315	Transfer In Administratively Restricted IX	28,504	28,504	<b>28,504</b>
<u>876,442</u>	<u>1,046,874</u>	<u>889,865</u>	<b>Total Transfers In</b>	<u>1,638,982</u>	<u>1,638,982</u>	<u><b>1,638,982</b></u>
<u>13,047,359</u>	<u>13,766,893</u>	<u>12,404,890</u>	<b>TOTAL RESOURCES</b>	<u>13,662,419</u>	<u>13,662,419</u>	<u><b>13,662,419</b></u>
<b>REQUIREMENTS</b>						
<u>11,541,725</u>	<u>11,854,026</u>	<u>12,404,890</u>	Debt Service	<u>13,662,419</u>	<u>13,662,419</u>	<u><b>13,662,419</b></u>
<u>11,541,725</u>	<u>11,854,026</u>	<u>12,404,890</u>	<b>TOTAL REQUIREMENTS</b>	<u>13,662,419</u>	<u>13,662,419</u>	<u><b>13,662,419</b></u>
<u>1,505,634</u>	<u>1,912,867</u>	<u>-</u>	<b>ENDING FUND BALANCE</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>SUMMARY</b>						
13,047,359	13,766,893	12,404,890	Total Resources	13,662,419	13,662,419	<b>13,662,419</b>
(11,541,725)	(11,854,026)	(12,404,890)	Less: Total Requirements	(13,662,419)	(13,662,419)	<b>(13,662,419)</b>
<u>1,505,634</u>	<u>1,912,867</u>	<u>-</u>	<b>RESOURCES OVER-(UNDER) EXPENDITURES</b>	<u>-</u>	<u>-</u>	<u>-</u>



## Long Term Debt Obligations

### Flight Technology

In September 2013, Lane Community College financed two new airplanes for our Flight Technology Program. The benefits of these airplanes are lower fuel costs, high reliability, low down-time and industry standard equipment that better prepare students for the equipment they will be using after graduation. The debt service for this loan is to be paid by an interfund transfer from Fund IX so there is no impact on the General Fund. The loan will be fully paid September 15, 2023.

Flight Technology	Principal	Interest	Total
2016-2017	21,585	5,731	27,316
2017-2024	151,090	16,229	167,319
Total Flight Technology	172,675	21,960	194,635

### Qualified Energy Conservation Bonds

On June 13, 2012 the Board of Education adopted resolution #577 approving Lane Community College to enter into a financing agreement with the State of Oregon in the amount of \$1,500,000. The purpose of this loan is to finance a solar hot water system, a geothermal mechanical system, geothermal drilling, passive ventilation and related architectural permit and design costs for our new Downtown Center. This note will be fully paid in 2027.

Qualified Energy Conservation Bonds	Principal	Interest	Total
2016-2017	85,000	54,978	139,978
2017-2027	1,105,000	299,838	1,404,838
Total Qualified Energy Conservation Bonds	1,190,000	354,816	1,544,816

### 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.

General Obligation Bonds	Series 2009 Bonds		Series 2012 Bonds		Total
	Principal	Interest	Principal	Interest	
2016-2017	2,295,000	889,600	2,750,000	1,420,775	7,355,375
2017-2024	18,315,000	3,724,238	30,160,000	5,493,275	57,692,513
Total General Obligation Bonds	20,610,000	4,613,838	32,910,000	6,914,050	65,047,888

**Recovery Zone Bonds**

On December 2010, the college issued \$19,355,000 of Full Faith and Credit Obligations, Series 2010. The college irrevocably elected to designate the obligations as "Recovery Zone Economic Development Bonds" under the provisions of the American Recovery and Reinvestment Act of 2009. These bonds were issued 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 bonds. The sequestration reduction of the subsidy for Fiscal Year (FY) 2017 is 6.9%, for prior years it has been FY 2015 7.3% and FY 2016 6.8%.

Recovery Zone Bonds	Principal	Interest			Net	Debt Service
		Total	Subsidy	Sequestration		
2016-2017	680,000	1,292,440	(539,141)	37,201	790,500	1,470,500
2017-2036	18,675,000	14,050,063	(5,860,983)	-	8,189,080	26,864,080
<b>Total Recovery Zone Bonds</b>	<b>19,355,000</b>	<b>15,342,503</b>	<b>(6,400,124)</b>	<b>37,201</b>	<b>8,979,580</b>	<b>28,334,580</b>

**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. PERS bonds sold at a discount of the face amount. The \$7,446,257 represents the discounted amount to be recognized in future years. The total amount due each year matches the original debt schedule page E-6 of the Preliminary Offering Statement (POS), but the principal and interest breakdown is different because of the deferred interest bonds. Pension Obligation Bonds include the State of Oregon Public Employees Retirement System requirements, the college's single-employer defined benefit public employee early retirement supplement plan and the college's single-employer defined benefit postemployment health care benefits plan.

Pension Obligation Bonds	Principal	Interest	Total
2016-2017	3,140,000	1,529,250	4,669,250
2017-2028	51,230,000	13,635,154	64,865,154
<b>Total Pension Obligation Bonds</b>	<b>54,370,000</b>	<b>15,164,404</b>	<b>69,534,404</b>
Less Deferred Interest	(7,446,257)		
<b>Carrying Amount 2015-2016</b>	<b>46,923,743</b>		

**Total Debt Service**

Debt Service	Principal	Interest	Total
2016-2017	8,971,585	4,690,834	13,662,419
2017-2036	120,316,090	31,357,814	150,993,904
<b>Total Debt Service</b>	<b>129,287,675</b>	<b>36,048,648</b>	<b>164,656,323</b>
Less Deferred Interest	(7,446,257)		
<b>121,841,418</b>			

**Capital Projects Fund IV**

FY 2013-14 ACTUAL	FY 2014-15 ACTUAL	FY 2015-16 BUDGET	Description of Resources and Requirements	FY 2016-17 PROPOSED	FY 2016-17 APPROVED	FY 2016-17 ADOPTED
<b>RESOURCES</b>						
33,503,210	32,602,431	20,863,729	Beginning Fund Balance	6,722,133	6,722,133	<b>6,722,133</b>
-	-	8,000,000	Intergovernmental - State	1,687,000	1,687,000	<b>1,687,000</b>
291,781	(90,147)	75,000	Other Sources:			
			Interest Income	-	-	-
7,320,229	1,062,445	5,042,500	Other Revenue	-	-	-
<u>7,612,010</u>	<u>972,298</u>	<u>13,117,500</u>	<b>Total Revenues</b>	<u>1,687,000</u>	<u>1,687,000</u>	<u><b>1,687,000</b></u>
<b>Transfers In</b>						
1,206,668	786,625	1,036,798	Transfer In General Fund I	1,037,000	1,037,000	<b>1,037,000</b>
230,268	224,489	227,600	Transfer In Administratively Restricted IX	215,475	215,475	<b>215,475</b>
<u>1,436,936</u>	<u>1,011,114</u>	<u>1,264,398</u>	<b>Total Transfers In</b>	<u>1,252,475</u>	<u>1,252,475</u>	<u><b>1,252,475</b></u>
<u>42,552,156</u>	<u>34,585,843</u>	<u>35,245,627</u>	<b>TOTAL RESOURCES</b>	<u>9,661,608</u>	<u>9,661,608</u>	<u><b>9,661,608</b></u>
<b>REQUIREMENTS</b>						
<b>Capital Projects</b>						
<u>9,930,375</u>	<u>23,977,266</u>	<u>35,245,627</u>	Capital Projects	<u>7,791,608</u>	<u>7,791,608</u>	<u><b>7,791,608</b></u>
<u>9,930,375</u>	<u>23,977,266</u>	<u>35,245,627</u>	<b>Total Capital Projects</b>	<u>7,791,608</u>	<u>7,791,608</u>	<u><b>7,791,608</b></u>
<b>Contingency</b>						
<u>-</u>	<u>-</u>	<u>-</u>	Projects/Provisions	<u>1,870,000</u>	<u>1,870,000</u>	<u><b>1,870,000</b></u>
<u>-</u>	<u>-</u>	<u>-</u>	<b>Total Contingency</b>	<u>1,870,000</u>	<u>1,870,000</u>	<u><b>1,870,000</b></u>
<b>Transfers Out</b>						
<u>19,350</u>	<u>2,550</u>	<u>-</u>	To General Fund I	<u>-</u>	<u>-</u>	<u>-</u>
<u>19,350</u>	<u>2,550</u>	<u>-</u>	<b>Total Transfers Out</b>	<u>-</u>	<u>-</u>	<u>-</u>
<u>9,949,725</u>	<u>23,979,816</u>	<u>35,245,627</u>	<b>TOTAL REQUIREMENTS</b>	<u>9,661,608</u>	<u>9,661,608</u>	<u><b>9,661,608</b></u>
<u>32,602,431</u>	<u>10,606,027</u>	<u>-</u>	<b>ENDING FUND BALANCE</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>SUMMARY</b>						
42,552,156	34,585,843	35,245,627	Total Resources	9,661,608	9,661,608	<b>9,661,608</b>
(9,949,725)	(23,979,816)	(35,245,627)	Less: Total Requirements	(9,661,608)	(9,661,608)	<b>(9,661,608)</b>
32,602,431	10,606,027	-	<b>RESOURCES OVER-(UNDER) EXPENDITURES</b>	-	-	-

**Financial Aid Fund V**

FY 2013-14 ACTUAL	FY 2014-15 ACTUAL	FY 2015-16 BUDGET	Description of Resources and Requirements	FY 2016-17 PROPOSED	FY 2016-17 APPROVED	FY 2016-17 ADOPTED
<b>RESOURCES</b>						
1,882,072	2,149,509	722,340	Beginning Fund Balance	725,000	725,000	<b>725,000</b>
4,077,771	3,622,265	5,450,000	Intergovernmental - State	4,425,000	4,425,000	<b>4,425,000</b>
62,897,215	46,604,586	87,653,851	Intergovernmental - Federal	55,158,000	55,158,000	<b>55,158,000</b>
Other Sources:						
108,021	114,273	50,000	Interest Income	100,000	100,000	<b>100,000</b>
3,277,672	3,082,757	2,965,000	Other Revenue	3,040,000	3,040,000	<b>3,040,000</b>
<u>70,360,679</u>	<u>53,423,880</u>	<u>96,118,851</u>	<b>Total Revenues</b>	<u>62,723,000</u>	<u>62,723,000</u>	<u><b>62,723,000</b></u>
<b>Transfers In:</b>						
47,641	187,397	-	Transfer In General Fund I	-	-	-
90,024	-	-	Transfer In Administratively Restricted IX	-	-	-
<u>137,665</u>	<u>187,397</u>	<u>-</u>	<b>Total Transfers In</b>	<u>-</u>	<u>-</u>	<u>-</u>
<u>72,380,416</u>	<u>55,760,786</u>	<u>96,841,191</u>	<b>TOTAL RESOURCES</b>	<u>63,448,000</u>	<u>63,448,000</u>	<u><b>63,448,000</b></u>
<b>REQUIREMENTS</b>						
<b>Financial Aid</b>						
<u>70,180,907</u>	<u>53,077,027</u>	<u>96,791,191</u>	Financial Aid	<u>63,190,500</u>	<u>63,190,500</u>	<u><b>63,190,500</b></u>
<u>70,180,907</u>	<u>53,077,027</u>	<u>96,791,191</u>	<b>Total Expenditures</b>	<u>63,190,500</u>	<u>63,190,500</u>	<u><b>63,190,500</b></u>
<b>Transfers Out:</b>						
<u>50,000</u>	<u>50,000</u>	<u>50,000</u>	To General Fund I	<u>50,000</u>	<u>50,000</u>	<u><b>50,000</b></u>
<u>50,000</u>	<u>50,000</u>	<u>50,000</u>	<b>Total Transfers Out</b>	<u>50,000</u>	<u>50,000</u>	<u><b>50,000</b></u>
<b>Contingency</b>						
-	-	-	Projects/Provisions	207,500	207,500	<b>207,500</b>
<u>-</u>	<u>-</u>	<u>-</u>	<b>Total Contingency</b>	<u>207,500</u>	<u>207,500</u>	<u><b>207,500</b></u>
<u>70,230,907</u>	<u>53,127,027</u>	<u>96,841,191</u>	<b>TOTAL REQUIREMENTS</b>	<u>63,448,000</u>	<u>63,448,000</u>	<u><b>63,448,000</b></u>
<u>2,149,509</u>	<u>2,633,760</u>	<u>-</u>	<b>ENDING FUND BALANCE</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>SUMMARY</b>						
72,380,416	55,760,786	96,841,191	Total Resources	63,448,000	63,448,000	<b>63,448,000</b>
(70,230,907)	(53,127,027)	(96,841,191)	Less: Total Requirements	(63,448,000)	(63,448,000)	<b>(63,448,000)</b>
<u>2,149,509</u>	<u>2,633,760</u>	<u>-</u>	<b>RESOURCES OVER-(UNDER) EXPENDITURES</b>	<u>-</u>	<u>-</u>	<u>-</u>

**Enterprise Fund VI**

FY 2013-14 ACTUAL	FY 2014-15 ACTUAL	FY 2015-16 BUDGET	Description of Resources and Requirements	FY 2016-17 PROPOSED	FY 2016-17 APPROVED	FY 2016-17 ADOPTED
<b>RESOURCES</b>						
7,394,330	8,574,298	2,377,998	Beginning Fund Balance	8,000,000	8,000,000	<b>8,000,000</b>
Tuition & Fees:						
1,761,620	2,094,179	1,986,390	Tuition	2,350,000	2,350,000	<b>2,350,000</b>
1,349,320	1,192,848	1,178,315	Student Fees	932,000	932,000	<b>932,000</b>
8,714,408	6,441,042	11,875,000	Sale of Goods and Services	10,130,000	10,130,000	<b>10,130,000</b>
1,510,199	1,624,410	1,358,837	Downtown Housing Rents	2,302,499	2,302,499	<b>2,302,499</b>
1,700,852	1,302,751	859,142	Other Fees & Charges	515,000	515,000	<b>515,000</b>
197,002	197,002	-	Interest	175,000	175,000	<b>175,000</b>
15,233,401	12,852,233	17,257,684	<b>Total Revenues</b>	16,404,499	16,404,499	<b>16,404,499</b>
Transfers In						
-	5,782	-	Transfer In General Fund I	-	-	-
-	62,915	25,000	Transfer In Internal Svs Fund II	25,000	25,000	<b>25,000</b>
-	68,697	25,000	<b>Total Transfers In</b>	25,000	25,000	<b>25,000</b>
22,627,731	21,495,227	19,660,682	<b>TOTAL RESOURCES</b>	24,429,499	24,429,499	<b>24,429,499</b>
<b>REQUIREMENTS</b>						
Instruction						
173	-	-	English as a Second Language	-	-	-
-	-	112,891	International Student Program	117,127	117,127	<b>117,127</b>
173	-	112,891	<b>Total Instruction</b>	117,127	117,127	<b>117,127</b>
Student Services						
6,831,410	5,638,114	9,950,000	Bookstore	7,000,000	7,000,000	<b>7,000,000</b>
992,909	1,064,726	992,395	Downtown Housing	1,165,000	1,165,000	<b>1,165,000</b>
2,259,996	1,793,294	2,687,755	Foodservices	1,529,000	1,529,000	<b>1,529,000</b>
937,750	1,041,586	944,577	Hospitality & Conference Services	1,600,000	1,600,000	<b>1,600,000</b>
1,813,456	2,992,798	3,886,396	International Student Program	3,559,073	3,559,073	<b>3,559,073</b>
12,835,521	12,530,518	18,461,123	<b>Total Student Services</b>	14,853,073	14,853,073	<b>14,853,073</b>

Continued

**Enterprise Fund VI**

FY 2013-14 ACTUAL	FY 2014-15 ACTUAL	FY 2015-16 BUDGET	Description of Resources and Requirements	FY 2016-17 PROPOSED	FY 2016-17 APPROVED	FY 2016-17 ADOPTED
			<b>College Support Services</b>			
-	-	25,000	LaneStarter	-	-	-
324,812	126,761	-	Laundry	-	-	-
<u>324,812</u>	<u>126,761</u>	<u>25,000</u>	<b>Total College Support Services</b>	<u>-</u>	<u>-</u>	<u>-</u>
			<b>Contingency</b>			
-	-	-	Projects/Provisions	7,987,799	7,987,799	7,987,799
<u>-</u>	<u>-</u>	<u>-</u>	<b>Total Contingency</b>	<u>7,987,799</u>	<u>7,987,799</u>	<u>7,987,799</u>
			<b>Transfers Out:</b>			
116,485	307,694	301,668	To General Fund I	1,000	1,000	1,000
776,442	776,442	759,000	To Debt Service Fund III	1,470,500	1,470,500	1,470,500
-	22,043	1,000	To Administratively Restricted Fund IX	-	-	-
<u>892,927</u>	<u>1,106,179</u>	<u>1,061,668</u>	<b>Total Transfers Out</b>	<u>1,471,500</u>	<u>1,471,500</u>	<u>1,471,500</u>
			<b>TOTAL REQUIREMENTS</b>			
<u>14,053,433</u>	<u>13,763,458</u>	<u>19,660,682</u>		<u>24,429,499</u>	<u>24,429,499</u>	<u>24,429,499</u>
<u>8,574,298</u>	<u>7,731,770</u>	<u>-</u>	<b>ENDING FUND BALANCE</b>	<u>-</u>	<u>-</u>	<u>-</u>
			<b>SUMMARY</b>			
22,627,731	21,495,227	19,660,682	Total Resources	24,429,499	24,429,499	24,429,499
(14,053,433)	(13,763,458)	(19,660,682)	Less: Total Requirements	(24,429,499)	(24,429,499)	(24,429,499)
<u>8,574,298</u>	<u>7,731,770</u>	<u>-</u>	<b>RESOURCES OVER-(UNDER) EXPENDITURES</b>	<u>-</u>	<u>-</u>	<u>-</u>

**Special Revenue Fund VIII**

FY 2013-14 ACTUAL	FY 2014-15 ACTUAL	FY 2015-16 BUDGET	Description of Resources and Requirements	FY 2016-17 PROPOSED	FY 2016-17 APPROVED	FY 2016-17 ADOPTED
<b>RESOURCES</b>						
308,888	274,273	400,000	Beginning Fund Balance	225,000	225,000	<b>225,000</b>
2,268,336	2,118,870	2,420,000	Intergovernmental - State	2,700,000	2,700,000	<b>2,700,000</b>
5,664,454	5,192,830	7,980,000	Intergovernmental - Federal	6,507,000	6,507,000	<b>6,507,000</b>
101,987	224,208	-	Intergovernmental - Local	300,000	300,000	<b>300,000</b>
Tuition & Fees:						
15,566	22,581	100,000	Tuition	50,000	50,000	<b>50,000</b>
86,439	52,604	200,000	Student Fees	75,000	75,000	<b>75,000</b>
19,068	10,516	-	Sales	20,000	20,000	<b>20,000</b>
478,125	527,479	3,278,306	Other Revenue	1,880,000	1,880,000	<b>1,880,000</b>
8,633,975	8,149,088	13,978,306	<b>Total Revenues</b>	11,532,000	11,532,000	<b>11,532,000</b>
8,942,862	8,423,361	14,378,306	<b>TOTAL RESOURCES</b>	11,757,000	11,757,000	<b>11,757,000</b>
<b>REQUIREMENTS</b>						
<b>Funded Projects</b>						
2,733,014	2,609,999	7,700,000	Instruction	4,932,880	4,932,880	<b>4,932,880</b>
40,167	36,004	50,000	Instructional Support	54,200	54,200	<b>54,200</b>
792,473	643,610	1,400,000	Student Services	1,018,840	1,018,840	<b>1,018,840</b>
5,086,574	4,789,986	5,124,306	Community Services	5,692,880	5,692,880	<b>5,692,880</b>
16,362	2,904	100,000	College Support Services	54,200	54,200	<b>54,200</b>
8,668,590	8,082,503	14,374,306	<b>Total Funded Projects</b>	11,753,000	11,753,000	<b>11,753,000</b>
<b>Transfers Out:</b>						
-	-	4,000	To General Fund I	4,000	4,000	<b>4,000</b>
-	-	4,000	<b>Total Transfers Out</b>	4,000	4,000	<b>4,000</b>
8,668,590	8,082,503	14,378,306	<b>TOTAL REQUIREMENTS</b>	11,757,000	11,757,000	<b>11,757,000</b>
274,273	340,858	-	<b>ENDING FUND BALANCE</b>	-	-	-
<b>SUMMARY</b>						
8,942,862	8,423,361	14,378,306	Total Resources	11,757,000	11,757,000	<b>11,757,000</b>
(8,668,590)	(8,082,503)	(14,378,306)	Less: Total Requirements	(11,757,000)	(11,757,000)	<b>(11,757,000)</b>
274,273	340,858	-	<b>RESOURCES OVER-(UNDER) EXPENDITURES</b>	-	-	-



# **PERSONNEL SERVICES**



**Budgeted FTE By Expense Function**

	FY 2017	FY 2016	FY 2015
<b>Instruction</b>			
Academic Learning Skills	6.25	7.00	8.25
Adult Basic & Secondary Education	11.50	12.50	14.80
Advanced Technologies	19.76	22.93	24.90
Art & Applied Design	12.03	13.54	14.58
Business & Computer Information Technology	15.83	15.00	17.00
Child & Family Education	2.71	2.71	2.71
Cooperative Education	9.87	10.37	13.31
Counseling	1.87	-	-
Culinary Arts & Hospitality	3.80	3.80	4.80
Energy Management Program	3.10	2.70	3.17
English as a Second Language	7.50	7.00	8.50
Extended Education	10.20	9.80	13.23
Flight Technology	4.00	3.50	3.50
Health & Physical Education	10.87	12.53	15.03
Health Professions	41.09	38.45	39.14
International Student Program	1.00	-	-
Lane Community College at Cottage Grove	2.22	1.97	1.72
Lane Community College at Florence	4.13	4.13	4.13
Language, Literature & Communication	27.54	28.64	31.99
Mathematics	22.78	24.08	23.64
Music/Dance/Theatre Arts	8.38	8.98	9.98
Science	24.30	22.80	23.80
Social Science	19.90	20.90	22.40
Specialized Support Services	8.02	10.13	11.20
<b>Total Instruction</b>	<b>278.66</b>	<b>283.46</b>	<b>311.78</b>
<b>Instructional Support</b>			
Academic & Student Affairs Office	8.50	9.65	10.50
Academic Technology	8.34	15.34	15.89
High School Connections	2.50	1.83	1.83
Information Technology	8.00	-	-
Library	11.60	11.86	12.36
Science	0.50	-	-
Special Instructional Projects	0.25	-	1.25
<b>Total Instructional Support</b>	<b>39.69</b>	<b>40.43</b>	<b>43.83</b>

Continued

**Budgeted FTE By Expense Function**

	FY 2017	FY 2016	FY 2015
<b>Student Services</b>			
Academic & Student Affairs Office	2.00	-	-
ASLCC	0.25	1.25	0.25
Athletics	2.62	2.70	2.70
Center for Accessible Resources	3.50	6.00	6.00
Child & Family Education	8.02	10.18	9.36
Conference & Culinary Services	13.08	11.58	10.18
Counseling	25.93	29.38	28.80
Enrollment Services	14.80	16.75	21.75
Foodservices	4.59	9.07	9.07
Health Clinic	10.00	11.00	6.97
High School Connections	1.00	1.00	1.00
International Student Program	14.00	16.00	9.00
Institute for Sustainable Practices	0.70	-	-
Student Financial Services	17.00	17.83	11.75
Student Life & Leadership Development	5.00	5.00	5.70
Student Standards & Title IX	2.50	-	-
Tital Store	11.80	13.80	12.80
The Torch	0.67	0.67	0.67
Women's Programs	5.48	5.88	5.48
Workforce Development	3.50	-	-
<b>Total Student Services</b>	<b>146.44</b>	<b>158.09</b>	<b>141.48</b>
<b>Community Services</b>			
KLCC Administration	12.88	11.63	11.63
<b>Total Community Services</b>	<b>12.88</b>	<b>11.63</b>	<b>11.63</b>

Continued

**Budgeted FTE By Expense Function**

	FY 2017	FY 2016	FY 2015
<b>College Support Services</b>			
College Finance	12.63	12.63	10.63
College Services	3.50	3.50	4.75
Curriculum & Scheduling	2.50	2.50	2.00
Employee Wellness	1.00	1.00	1.00
Human Resources	10.00	10.00	9.75
Infrastructure Technology	24.42	26.42	27.28
Institute for Sustainable Practices	3.03	2.83	3.13
Institutional Research, Assessment & Planning	4.50	4.50	5.00
Lane Community College Foundation	7.00	7.00	7.00
Library - Archives	0.50	0.50	0.50
Mail Services	1.00	2.00	2.00
Marketing & Public Relations	1.90	1.40	1.40
President's Office	7.00	5.50	5.50
Printing & Graphics and Warehouse	6.20	7.20	7.20
Public Safety	10.00	10.00	10.00
Telephone Services	1.00	1.00	2.00
<b>Total College Support Services</b>	<b>96.18</b>	<b>97.98</b>	<b>99.14</b>
<b>Plant Operations &amp; Maintenance</b>			
Facilities Administration	39.00	42.75	46.75
<b>Total Plant Operations &amp; Maintenance</b>	<b>39.00</b>	<b>42.75</b>	<b>46.75</b>
<b>Plant Additions</b>			
Project Management & Planning	1.69	4.50	2.00
<b>Total Plant Additions</b>	<b>1.69</b>	<b>4.50</b>	<b>2.00</b>
<b>Total Budgeted FTE By Expense Function</b>	<b>614.54 *</b>	<b>638.84</b>	<b>656.61</b>

\*Decreases due to enrollment decline and subsequent staff reductions



## **APPENDIX**

**A: BUDGET STRUCTURE & FUNCTIONS**

**B: FINANCIAL POLICIES**

**C: DEBT POLICY**

**D: PERFORMANCE MEASURES**

**E: LONG RANGE FINANCIAL INFORMATION**

**F: LOCAL & REGIONAL INFORMATION**

**G: AFFIRMATIVE ACTION**

**H: LEGAL NOTIFICATIONS**

**I: GLOSSARY OF TERMS & ACRONYMS**

## Budget Structure and Functions

### 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. “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” (Comprehensive Annual Financial Report).

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 provide 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 administratively restricted fund (IX).

### **Fund I: General Fund**

Includes activities directly associated with operations related to the college's basic educational objectives.

### **Fund IX: Administratively Restricted Fund**

Used to account for specific 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.

### **Fund II: Internal Service Fund**

Includes functions that exist primarily to provide goods or services to other instructional or administrative units of the college.

### **Fund III: Debt Service Fund**

Accounts for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

### **Fund IV: Capital Projects Fund**

Used for the acquisition of land, new construction, major remodeling projects and major equipment purchases.

### **Fund V: Financial Aid Fund**

Used for the provision of grants, stipends and other aid to enrolled students.

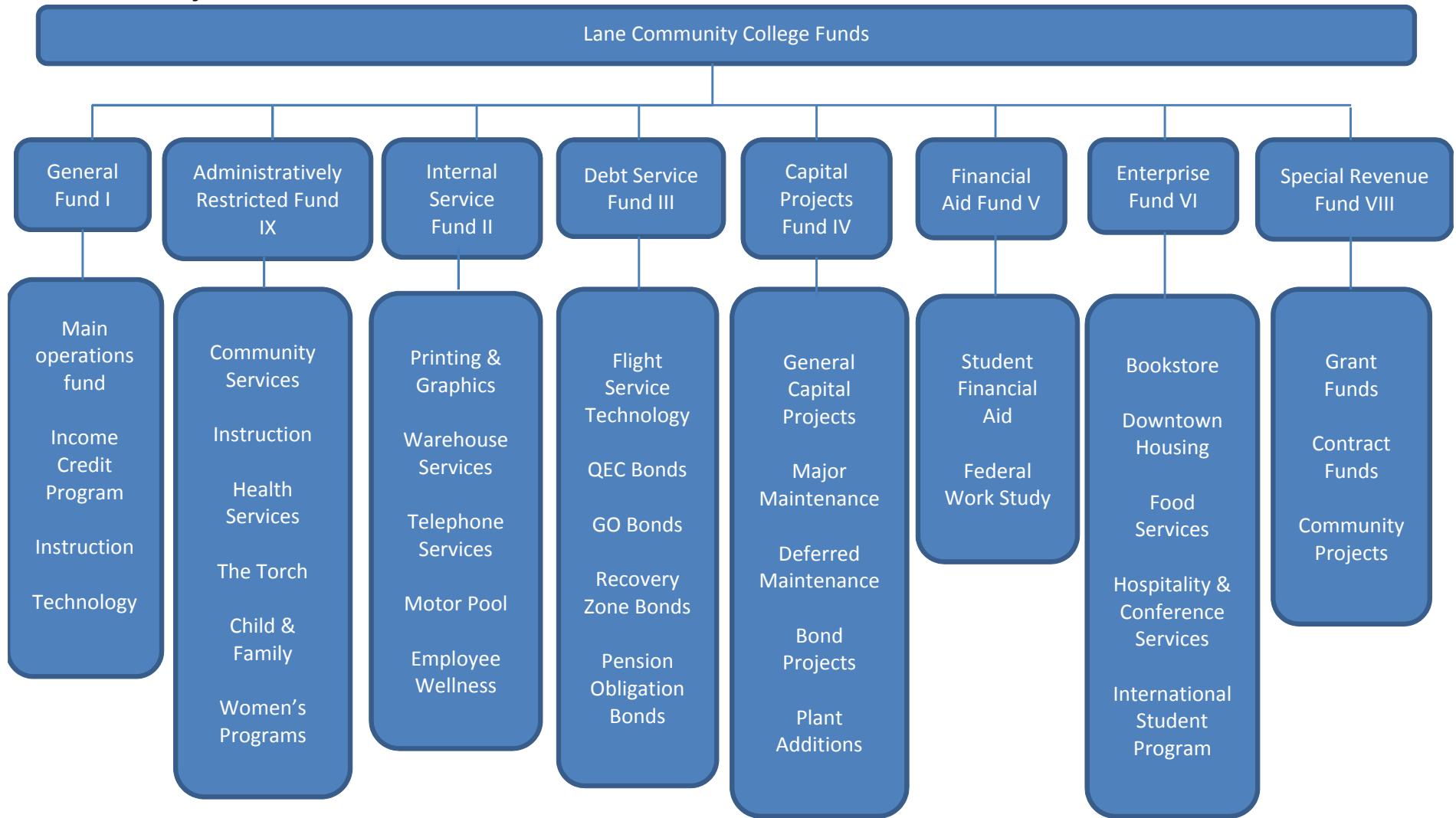
### **Fund VI: Enterprise Fund**

Includes 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.

### **Fund VIII: Special Revenue Fund**

Accounts for revenue sources that are legally restricted to expenditures for specific purposes

# Fund Summary



## 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 which are annually adjusted for inflation using the Higher Education Price Index (HEPI) per Board of Education policy BP725. 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 Institutional Research and Planning department.

### 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 Institutional Research and Planning department and historical trend analysis.

### Interest Income

Interest income is derived from investment of operating capital in excess of daily requirements.

### 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 the Titan Store, Foodservices, Center for Meeting and Learning (CML), and Printing & 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 college enterprise funds (such as the Titan Store, Foodservices and CML) as well as 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 IX to the debt service fund to pay the annual debt service on airplane purchase loans.

### Other Resources

These include resources from various activities such as finance charges, insurance proceeds, sale of equipment, enforcement fees 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.

### **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**

Personnel 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, employee wellness programs and other direct employee benefits.

### **Materials & Services**

Materials & 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 financial aid fund to cover institutional scholarships and institutional match obligations 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.

**Financial Policies**

## Lane Community College Board of Education

***Policy BP205: Asset Protection******Adopted 11.09.98; Last Reviewed/Revised 6.12.13***

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/Revised 12.10.14***

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/Revised 11.17.10**

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/Revised 9.16.14**

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/Revised 12.5.12**

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/Revised 12.5.12***

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/Revised 2.6.13**

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/Revised 10.15.12**

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 11.4.14***

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 two 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 BP255: Financial Condition and Activities***

***Adopted 11.09.98; Last Reviewed/Revised 6.12.13***

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 5.8.13***

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/Revised 3.13.13***

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/Revised 10.14.14***

Board Contingency:

The annual budget shall set aside approximately one-half percent (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 percent (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/Revised 1.9.13***

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/Revised 11.4.14**

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/Revised 11.16.11**

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 on-line 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/Revised 10.14.14**

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/Revised 10.15.12**

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

**Policy BP315: Borrowing****Adopted 11.09.98; Last Reviewed/Revised 12.10.14**

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 2.4.15**

Only the president, or formally designated representatives, may commit the college to financial obligations or contractual agreements. No obligation may be incurred unless it first has been authorized by the budget or by the budget change process. Any contract entered into in violation of this policy is void as to the college.

All contracts of \$100,000 for goods and services contracts or \$150,000 for public improvements contracts or greater shall 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 not exceeding \$100,000 for goods and services contracts, or \$150,000 for public improvements contracts. The president may delegate this authority to college staff.

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

**Policy BP540: Monitoring President's Performance****Adopted 11.09.98; Last Reviewed/Revised 12.14.11**

Any evaluation of the president's performance, formal or informal, may be derived only from the criteria established within board Ends and Executive Directions.

Accordingly,

1. The purpose of monitoring is to determine the degree to which board policies are being fulfilled. Information which does not do this will not be considered to be monitoring.
2. The board will acquire monitoring data by one or more of three methods: (a) by internal report, in which the president discloses compliance information to the board, (b) by external report, in which an external, disinterested third party selected by the board

3. Assesses compliance with board policies, and (c) by direct board inspection, in which a designated member or members of the board assess compliance with the appropriate policy criteria.
4. The standard for compliance shall be any reasonable presidential interpretation of the board policy being monitored.
5. All policies that instruct the president will be monitored at a frequency and by a method chosen by the board. The board can monitor any policy at any time by any method, but will ordinarily depend on a routine schedule.

<b><u>Policy</u></b>	<b><u>Method</u></b>	<b><u>Frequency</u></b>
Treatment of Learners, BP720	Internal	Annually
Treatment of Staff, BP555	Internal/External	Annually
Financial Planning and Budgeting, BP260	Internal	Semi-annual
Financial Condition and Activities, BP255	Internal	Quarterly
	External	Annually
Emergency President Succession, BP350	Internal	Annually
Asset Protection, BP205	Internal	Annually
Compensation and Benefits, BP515	Internal	Annually
Communication and Support to the Board, BP330	Internal/Direct Inspection	Annually
Community Outreach, BP335	Internal	Annually
Governance Process Policies, Bp305-BP385	Direct Inspection	Annually

***Policy BP725: Tuition***

***Adopted 11.13.02; Last Reviewed/Revised 10.14.14***

In order to maintain a constant tuition rate relative to inflation, each December, the board will adjust the per credit tuition rate to reflect changes in an appropriate index for two-year public colleges since the last tuition adjustment. The rate will be rounded to the nearest half-dollar and become effective the following academic year (summer term).

Periodically and as needed, the board will review Lane's tuition rates to ensure: a) that tuition revenues are appropriate for the needs of the district and, 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. Prior to approval of the tuition increase, the board will review the index options, affordability and access for students, and the revenue requirements of the college.

## Debt Policy

The current debt obligations were entered into following policies and procedures as prescribed by Oregon Revised Statutes, and the Lane Community College Board of Education Policy BP235. ORS 341.675 establishes the authority to incur bonded indebtedness for certain uses such as to acquire, construct, reconstruct, improve, repair, equip or furnish a college building or buildings or additions thereto, and sets the legal debt limit. The legal debt limit is computed in compliance with ORS 308.207, according to which the taxing or bonding power of any governmental unit is limited to a percentage of the real market value of the taxable property. ORS 341-675 sets the percentage at 1.5% of real property value in the community college service district. Additionally, section 341.715 requires that the proceeds from the issuance of any short-term promissory notes are specifically used for the purpose of meeting current expenses, retiring outstanding bonds or warrants, or paying the interest thereon.

The Board of Education Policy BP235: Debt Issuance and Management is presented in its entirety on the previous pages of this appendix.

**Legal Debt Limit:** The Lane County assessor's office most recent certified assessment roll has recorded a total real market value of taxable property in the service district in the amount of \$50,854,997,502. 1.5% of that figure is the maximum legal bonded indebtedness available to Lane Community College, or \$762,824,963. Lane's total bonded debt subject to the limitation is \$48,820,798 which is approximately 6.4% of the legal limit.

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

Following is a summary of current year debt obligations:

Obligation	Purpose	Issued Date	Interest Rate	Maturity Date	Balance July 1, 2015	Principle Due In Current Year	Interest Due In Current Year
General Obligation Bonds Payable	Facilities Construction and Improvements	2009	1.25% - 5.00%	2024	\$22,715,000	\$2,105,000	\$979,800
General Obligation Bonds Payable	Downtown Center	2012	2.00% – 4.65%	2024	\$35,420,000	\$2,510,000	\$1,475,975
Pension Bonds Payable	PERS Contribution: Cost Sharing	2003	2.73% - 6.25%	2028	\$49,838,743	\$2,915,000	\$1,529,250
Recovery Zone	Student Housing	2011	4.324% - 7.197%	2035	\$19,355,000	0	\$761,868
Energy Conservation Bonds	Downtown Campus	2012	4.62%	2027	\$1,270,000	\$80,000	\$58,674
Flight Technology	2 Airplanes	2013	3.101%	2023	\$193,472	\$20,797	\$6,518

## Performance Measures

### Certificates and Degrees Granted Fiscal Years 2006 through 2015

#### Lower Division Transfer

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
AAOT/ASOT	451	454	573	474	418	407	319	291	302	294
Associate of General Studies	136	158	150	97	86	42	42	40	48	27
Associate of Science	96	87	61	90	54	47	38	18	21	12
Oregon Transfer Module	422	376	-	-	-	-	-	-	-	-
Total Transfer Awards	<u>1,105</u>	<u>1,075</u>	<u>784</u>	<u>661</u>	<u>558</u>	<u>496</u>	<u>399</u>	<u>349</u>	<u>371</u>	<u>333</u>

#### Technical

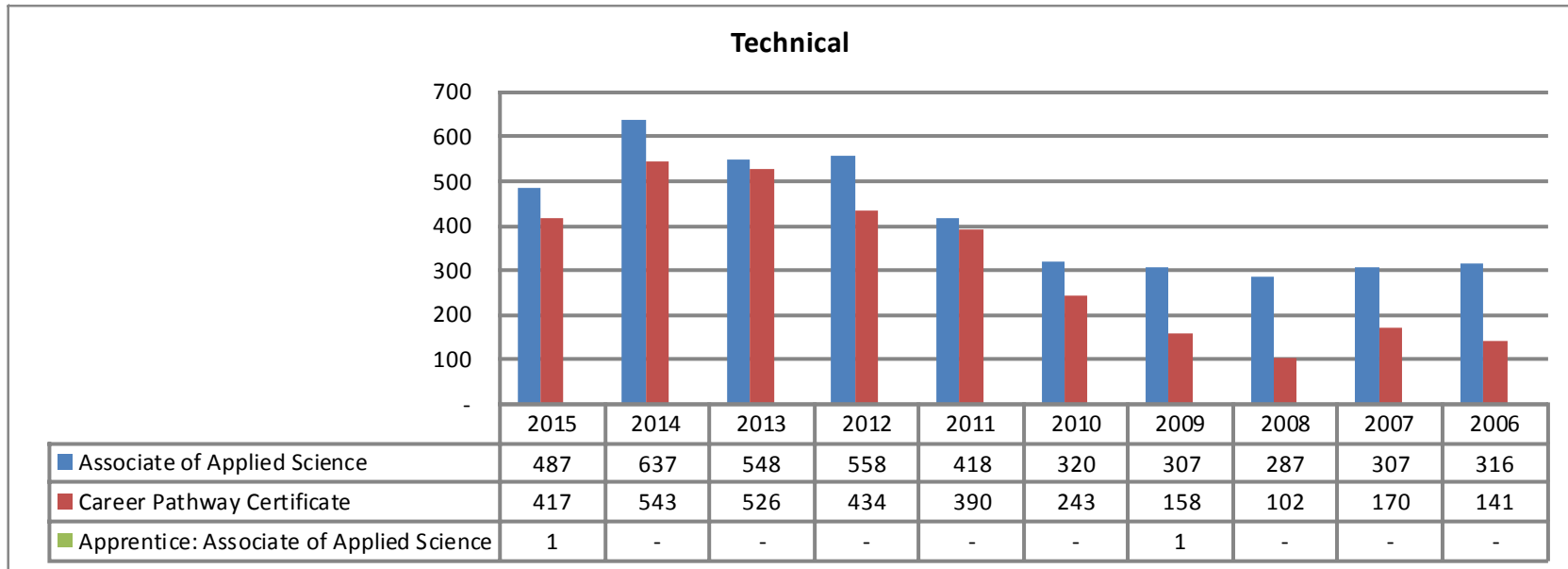
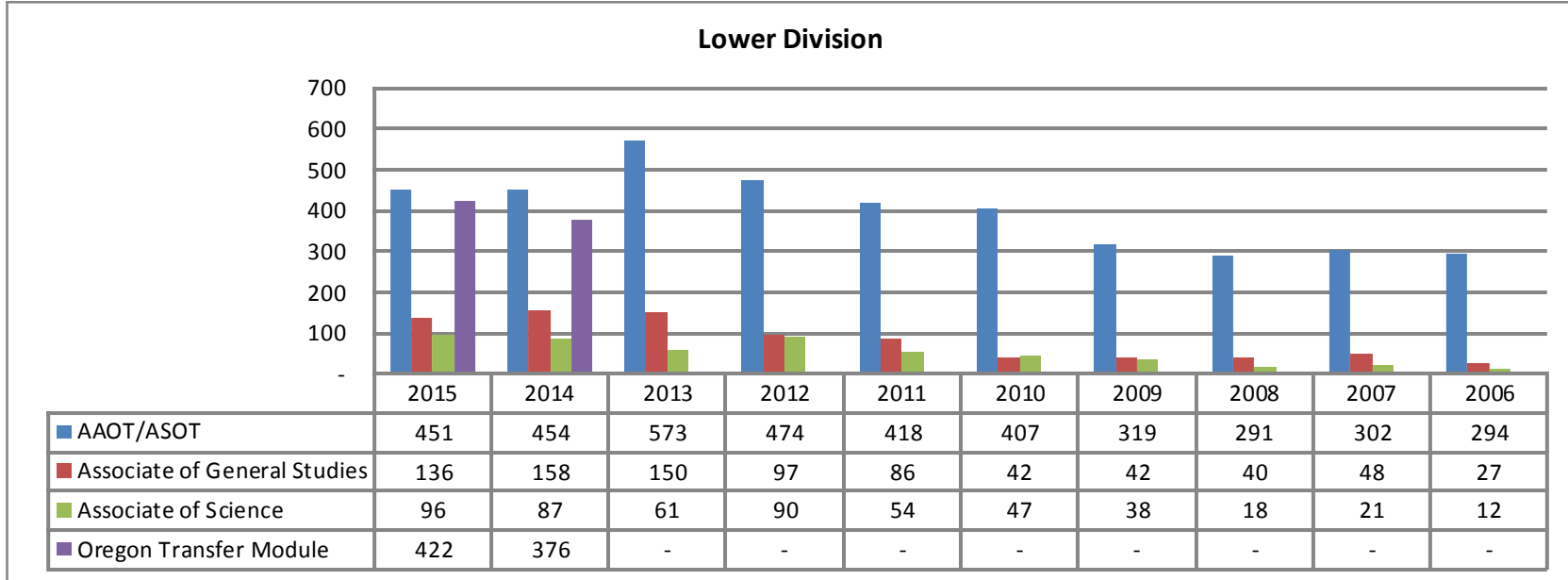
	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Associate of Applied Science	487	637	548	558	418	320	307	287	307	316
Career Pathway Certificate	417	543	526	434	390	243	158	102	170	141
Apprentice: Associate of Applied Science	1	-	-	-	-	-	1	-	-	-
Total Technical Awards	<u>905</u>	<u>1,180</u>	<u>1,074</u>	<u>992</u>	<u>808</u>	<u>563</u>	<u>466</u>	<u>389</u>	<u>477</u>	<u>457</u>

#### Total Awards

	<u>2,010</u>	<u>2,255</u>	<u>1,858</u>	<u>1,653</u>	<u>1,366</u>	<u>1,059</u>	<u>865</u>	<u>738</u>	<u>848</u>	<u>790</u>
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#### % of Degree-Seeking Students

	<u>20.0%</u>	<u>20.0%</u>	<u>20.0%</u>	<u>14.0%</u>	<u>13.0%</u>	<u>10.0%</u>	<u>9.1%</u>	<u>9.5%</u>	<u>10.7%</u>	<u>10.2%</u>
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## Long Range Financial Plan

2013-2017

The current tough economic times we are facing as a nation, state and college, require strong fiscal leadership and fiscal stewardship. The goals of the Long Range Financial Plan encompass a set of strategies around sustainable growth rates in operating income and expense, reinvestment in physical plant to maintain its' value over time, further development of all of our assets to create revenue for the college as well as setting the context for annual budgeting. These financial concepts, however, must be grounded in and inextricably linked to the mission and values of the college.

The Lane Community College board of education has recently approved a new mission statement, affirmed our values and approved new strategic directions. The board has also clearly articulated financial policies that guide financial planning and budgeting. The Long Range Financial Plan developed in 2004 requires updating to reflect the new realities faced by the college as well as assure that it supports the college strategic directions.

The objective of this financial plan is ultimately to achieve the mission of the college through strategic, long term thinking so that, as required by Board Policy A.040, the annual budget is developed in the context of multi-year financial planning that is a reflection of the board's priorities and other finance and budget policies of the board.

### Issues Impacting Fiscal Sustainability

Lane Community College is clearly facing a challenging period in the next five years. Many issues impact the college's fiscal sustainability.

#### Tax Revenues

In 1990, 65% of our funding was provided by public resources – 24% from the state and 41% from local property tax. In FY12, 40% of our funding is from public sources. The State is providing \$24 million which is 24% of general fund revenue and local property taxes will add \$16 million or 16%. Today state and property tax revenues are allocated on the college's share of total FTE through the state distribution formula. In the future, performance measures of student success are expected to play a role in the distribution of public resources. The measures to be used and influence on funding are yet to be determined. However, future strategies will need to address student success and educational quality to maintain funding levels. State aid has remained relatively flat since 1997 in real terms and is on a declining trend in terms of purchasing power. These trends are a continuation of the last 10-15 years but the current and future economic environment is much more volatile than we have experienced in the past. State appropriations dropped 10% from the previous biennium in fiscal years 2009-2011. Support has been further reduced for the current biennium (fiscal years 2012-2013) by another 9% as the State of Oregon's largest revenue source, income tax, has been severely impacted by national and global economic conditions. This continues a long term trend of reduced public funding and increased reliance on tuition as represented in the graph to the right.

The college has no assurance that state aid will increase as much as inflation in the foreseeable future. State revenue for years after FY13 is uncertain and if the trend of past years continues, it will not rise as quickly as expenses. The upcoming state revenue forecasts for the current biennium are predicted to continue the decline. Therefore, Lane should not rely on substantial increases in state revenue to meet the needs of future budgets. Furthermore, the weakness of the housing market and the increase in foreclosures has the potential to affect property tax income as well. While we are able to increase property 1-3% each year, market problems may impact collection rates which would cancel out that increase in revenue.

**Tuition Rates – High Student Demand and Increasing Reliance on Tuition and Fees**

The college's highest priority is to enable our students to have successful learning experiences. The failure of state aid since 2000 to increase sufficiently to cover Lane's increasing operating costs has resulted in rising tuition costs. In 2002 tuition was \$38 per credit, but for FY13 this has more than doubled to \$90 per credit. In past years Lane's board has heard from students that maintaining current service levels is their highest priority and has acted accordingly by raising tuition. However, increases in tuition directly impact accessibility of education which is also a core value of the institution. On the other hand, long class "waiting lists", state funding for credit classes declining rapidly, the "defunding" of self-improvement classes, and the inherently high costs of professional/technical programs, all indicate that higher tuition rates may be warranted in the future. Board Policy D.110 state that "the board will adjust the per credit tuition rate to reflect changes in an appropriate index for two-year public colleges since the last tuition adjustment". It also states that other adjustments may be made "periodically and as needed....to ensure: a) that tuition revenues are appropriate for the needs of the district and, 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.

From 2004 to 2009 the board held tuition increases to the rise in inflation indexed to the Higher Education Price Index (HEPI) provided by the Common Fund Foundation. In 2009 a temporary surcharge became necessary to offset declines in state funding. Tuition now exceeds state support as the college's largest revenue source.

**Ending Fund Balances**

Long term institutional viability requires that expenditures not exceed revenues and maintenance of an appropriate level of fund balance to accommodate unknown challenges. To accomplish this end, Board Policy E.030 requires that the college maintain an unrestricted General Fund Ending Fund Balance of approximately 5% of budgeted expenditures and Board Policy E.020 specifies that 3% of general fund expenditures be budgeted as an unappropriated ending fund balance. While the college is currently meeting these requirements, this level is lower than recommended by professional associations and by comparison to peer institutions. The fact that the board has insisted on developing an adequate ending fund balance as well as setting aside money in the Financial Stabilization Fund allowed the college to move through additional state reductions in 2009-10 and avoid major reductions or increase tuition beyond inflation and the surcharge in the current year. Increasing uncertainty in the economic environment and the volatility of Oregon tax sources create a compelling need for a larger ending fund balance. Future financial planning should work toward that goal.

**Investing in our People**

The delivery of high quality learning services is, by its very nature, labor-intensive. For FY13 Lane projects spending \$76 million, out of a total general fund budget of over \$100 million, on personal services and related fringe benefits. Since three fourths of the college's financial resources are devoted to employee compensation, compensation levels are clearly a primary "driver" of expenses. Faculty and staff have worked collaboratively with the college to limit additional costs in the past and it is likely that there will continue to be pressure on the college and employees as public resources diminish. Our enrollment increase of over 35% has tested our faculty and staff capacity resulting in more part time faculty, increased workloads, fewer managers and faculty and staff that are stretched too thin. Lane has become a very "lean" organization with little or no capacity available. Attention will need to be paid to sustainable staffing patterns that align with the "new normal" in which we find ourselves.

**Costs of Health Care Insurance for Employees**

The Consumer Price Index indicates that medical costs have increased dramatically in recent years, nearly double the rate of increase for all goods and services. National and state efforts to limit the cost of health insurance have had minimal impact to date. The college has taken steps to reduce its future rate increases: negotiating with employees to increase their share in the payment of the insurance premiums, reduction in benefits, establishing a Section 125 plan, instituting the LIFE employee wellness program; and implementing an on-site employee medical clinic. There are few signals that there will be relief from significant increases in the near future.

**Retirement Liability – PERS and Early Retirement**

Due to high investment losses and the benefit structure, the Oregon Public Employees Retirement system (PERS) accrued a substantial Unfunded Actuarial Liability (UAL). In December 2003 Lane was informed by PERS that our share of the UAL exceeded \$69 million—more than the college’s entire General Fund annual operating budget at the time. This amount was required to be paid (in addition to current employer contributions) to PERS at an 8% interest rate over 26 years. To minimize this annual obligation, Lane issued taxable pension bonds during April 2003 at an average interest rate of 5.8%. To the extent that PERS investment earnings average more than 8% through 2028, the college will have preserved financial resources for use in the General Fund. The payments on these pension bonds are funded annually by an increase in the college’s fringe benefit (OPE) rates. Positive arbitrage on the bonds issued reduced the remaining UAL for a time but market declines in the past year have erased those gains and added to future liability. Increases in PERS costs are expected to meet those obligations going forward. This assessment is delayed due to a lag between actuarial analysis and implementation. One of the areas of rapidly increasing cost to the college has been funding post retirement benefits for faculty and a few eligible managers. These benefits include a small post retirement stipend and medical benefits. The college must set aside funding for the actuarial value of those future benefits which has jumped dramatically in recent years. For example, the most recent actuarial report states that an additional \$300,000 must be added to the fund.

**Capital and Deferred Maintenance Requirements**

The physical condition of many of our facilities is badly in need of major renovation or repair. The situation dramatically improved with the approval of \$83 million in bonding authority for renovations in the November 2008 election and the appropriation early in the 2009 legislative session of an additional \$8 million for deferred maintenance projects. Not every need will be met but there has been huge improvement despite the declines in general fund revenues. This improvement is short term and does not replace the need for a more sustainable level of capital and major maintenance funding to protect the public investment in facilities. In addition, as the college develops its’ master plan for the campus and surrounding land assets to generate revenue for the general fund, it is likely that investment will be required. The board recognized the need to properly maintain our facilities by adopting Policy E.050, Capital Reserve Funds, which requires that Lane reserve funds to adequately maintain and repair college facilities. The policy states that “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”. Recent budgets have not been able to make transfers to this fund and requirements continued to be deferred. Therefore, careful consideration needs to be given to creating adequate reserves for this purpose.

**Underfunding of Equipment Replacement**

Similarly, as a result of stagnation in public resources, instructional and support services equipment has not been replaced at the end of its economic life. We have been “making do” with outdated equipment in our efforts to commit the maximum financial resources to direct instruction. The result is that equipment needs continue to grow as replacement needs outstrip available funding for capital equipment.

This shortfall has been mitigated in part by federal Carl Perkins grants and replacement related to bond projects. Both Board Policy E.050 and E.010 address this issue. Reserves ensure that funds are available for emergencies and for needs in years where capital expenditures are expected to be higher than average.

### Policy Environment

The apparent intractability of these issues, and the fact that some of them are not within the college's control to solve, present unprecedented challenges for the college going forward. The board has had many policies in place for a number of years that should guide the future. Board Policy E.010: Definition of a Balanced Budget is already in place and must provide the backdrop for our long term financial plan and fiscal sustainability. It requires that the college "permanently stabilize its finances in their entirety (operating budget, reserves, contingencies and ending fund balance) when it perceives a long term change (increase or decrease) to its available recurring resources". Unfortunately, the most likely scenario for the college in terms of public funding is a decline in investment for the foreseeable future. This means that some of the strategies that the college has employed, anticipating shorter term decreases in public resources, may no longer be viable and more attention needs to be paid to longer term strategies and implementing the components of Board Policy E.010 as described below:

- 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)

### Strategies to Reduce Cost or Improve Revenue

The college has responded to this turbulent economic environment by focusing institutional practices to enhance the long term fiscal sustainability while continuing to focus on the quality of student learning and success. The core values of *Sustainability, Collaboration and Partnership*, and *Innovation* as well as board policies form the scaffolding on which the principles and operational strategies are derived.

To assure a balanced budget in the face of declining tax revenue the college will adopt the following strategies:

#### Fiscal Sustainability

1. Enrollment Management
  - a. Achieve modest growth through targeted initiatives
  - b. Increase tuition only as necessary and appropriate to the needs of the district
  - c. Examine the need/potential for online services and fees to enhance capacity, cost effectiveness and student choice

- d. Use differential fees to offset the cost of high cost programs to ensure equity in public support
  - e. Pursue quality progression and completion initiatives to ensure stable enrollment levels and student success
2. Cost Control
- a. Review all positions for alignment with strategic priorities before filling
  - b. Redesign to drive instruction and service efficiencies
  - c. Implement innovations that are fiscally sustainable
  - d. Fund new recurring activities through reallocation of current resources or new revenues created by those activities
3. Ending Fund Balance and Reserve Management

Board Policy E.030 defines a minimum ending fund balance of 5%. The practical minimum however is an average quarterly state payment as the college is required to cash flow the last quarter of each biennium, when the state payment is deferred. Ending Fund Balances in excess of the minimum 5% may be allocated for one-time expenditures or reserves. Board Policy E.040 provides for a Stabilization Reserve Fund which the board funded in the previous biennium to cushion anticipated contingencies in the FY12-13 biennium. Currently \$1.5 million of the \$3.5 million administratively reserved balance is anticipated to be used during FY12. Board Policy E.050 provides for a Capital Reserve Fund which is essential for providing security for unanticipated capital emergencies and strategic opportunities. This fund has not yet been established.

### **Strategies for Extraordinary Reductions**

In the event of a significant reduction in budget resources that are beyond the capability of normal cost controls or enrollment management, the college will pursue the following strategies:

- a. Review all future commitments for elimination. Contracts or positions where a hiring commitment has not yet been extended should be considered for deferral when possible
- b. Review opportunities to reduce existing commitments. Explore in partnership with bargaining units the possibility of deferring agreed to compensation increases or benefit adjustments. Explore opportunities to reduce level of service on existing contracts.
- c. If the shortfall is expected to be temporary review availability of reserves to close the gap. If the change is expected to be long term all reserves should be retained to for expected costs of transition to lower levels of service.
- d. Consider what the college could stop doing. Candidates for elimination will be evaluated according to objective criteria contained in Appendix B. Identity of academic disciplines, service functions, or names of individuals potentially affected will be strictly confidential. Access to such information will be limited to those with a requirement to know such as those conducting the evaluation.

**Educational Sustainability**

As fiscal pressure from declining public revenue and increasing costs mount, there will be a need to both decrease costs and increase productivity. These are worthwhile objectives but both carry the risk of decreasing the quality of education. For example, the uncertainty surrounding enrollment increases requires that additional staffing be part time and temporary in order to avoid long term personnel commitments that may not be sustainable in the future if enrollment recedes to historical averages. Capital investments necessary to update technology are challenging when basic operating needs remain unmet. In addition, the need to reduce costs may cause students to fear that their desired courses may not always be available and inhibit their embarking on an educational path for fear of being unable to finish. With greater emphasis on student success outcomes the need for quality education is greater than ever and may have a fiscal impact as funding becomes linked to performance.

**Collaboration and Partnership:**

*Expand fiscal effectiveness through partnership*

1. Partner with 2 and 4-year colleges and universities to implement quality progression and completion initiatives
2. Nurture connection with high schools through College Now, RTEC and other programs
3. Expand workforce development programs and activities such as the Small Business Development Center
4. Build capacity in Lane's foundation to increase partnerships, grants and external fundraising

**Innovation:**

*Create revenue through entrepreneurial activities*

1. Develop entrepreneurial activities such as the International Programs and Downtown Campus Housing and reinvest income in further revenue generation and mission fulfillment
2. Cultivate enterprise activities such as laundry, printing and graphics
3. Facility rental and programming
4. Long Range Facility Planning to generate revenue through real estate resources
5. Leverage Web 2.0 and other technologies to drive operational efficiencies and student success
6. Pursue grants and external resources to fund research and development

**Annual Budget**

The annual budget for the college is developed in the context of the Long Range Financial Plan. The annual budget starts from today's allocation of resources and projects forward making assumptions about the economy and Lane's plans and choices (Appendix A). The model relies upon information provided by many departments and programs that feed updated information on costs and priorities each year as well as information from the external environment. There are key principles (Appendix B) that translate mission into decisions about the allocation of resources. For example, we value retaining all of our employees (no lay-offs). There are also external factors such as state funding and capital market changes that impact the budget. It is the assessment and balancing of these factors that lead to the development of projections and ultimately the annual budget. The annual budget reflects college priorities and new initiatives and assesses the viability of these plans against the principle of long term fiscal sustainability and the constraints of the external environment. The annual budget is built on the following principles and using a board approved set of assumptions as described in the appendices. Also, it should be noted, units use a set of criteria and data elements (Appendix B) in guiding their planning at the unit level.

**Appendix A: Budget Assumptions and Projections**

The following assumptions are being reviewed to determine budget requirements and available resources for the annual budget.

**Revenue Assumptions****Total Public Resources:**

Public resources budgets are obtained from a distribution model produced by the state Community College and Workforce Development Department (CCWD) which projects the college's share of the Community College Support Fund (CCSF) and an estimate of local property taxes. The largest variable in the distribution model is the amount of the state appropriation to the CCSF. For example, the amount appropriated for the FY12-13 biennium is \$395 million. FY12 disbursements will be based on funding at \$410 million and the FY13 projection will also assume that level but there is a risk in FY13 of not receiving the amount currently held back. Property taxes normally increase slightly each year; however due to rapidly declining tax collectability, property values, and loss of local business properties it is most likely that property tax revenues in the next biennium will continue at the current level of \$15.5 million a year.

**Tuition:**

The tuition assumption is based on prior year's collections plus growth assumptions and price increases. The enrollment growth factor is determined each year and tuition increases will be an estimated 2.3% increase based on the Higher Education Price Index (HEPI) for FY12.

**Student Fees:**

These are mandatory curriculum related fees such as the student government fees, transportation and technology fees, student health clinic, athletics and required fees for certain courses. Most fee revenue is offset by a direct expense such as the LTD pass. All instructional fees are treated as administratively restricted revenue.

**Non Mandatory Fees:**

These are fees that are associated with a course but not mandatory due to registration such as flight technology flying time, health professions equipment and optional class supplies. These will be based on growth assumptions.

**Other Fees and Charges:**

These are child care fees, collection fees, conference fees, facility rental, Library fees, traffic fines etc., typically projected at the current level.

**Administrative Recovery**

Bookstore minimum contribution of \$250,000 a year and administrative fees from grant and financial aid support. Projected at current levels.

**Gifts and Donations:**

Most gifts and donations to the college go to the Foundation. This is mostly KLCC fundraising accounted for in Fund 9. Projected at current levels.

**Grants/Contracts:**

Most grant revenue is accounted for in Fund 8. This category accounts for minor exceptions that may need to come directly to offset a general fund expense. Projected at current levels.

**Interest Income:**

This is primarily interest from general fund cash invested in the Local Government Investment Pool (LGIP). Projected at current levels, but will likely be lower due to low short term rates in the current market.

**Other Revenue:**

While the title implies a wide variety of revenue, this comes almost entirely from two sources. These are the foundation reimbursement for Foundation payroll, and PeachHealth contribution for nursing faculty. Projected at current levels.

**Sale of Goods and Services:**

This is KLCC underwriting, sales of student materials by departments, culinary sales and Business Development Center contracts. Projected at current levels.

**Transfers In:**

These are transfers from the Center for Meeting and Learning and Food Services portion of the Enterprise Fund (Fund 6) to support general fund faculty expense in culinary arts. Projected at current levels.

**Expense Assumptions****Personal Services:**

This is tied to funded contracted positions budgeted for the prior year. Projection scenarios will vary with assumptions regarding unfunded vacancies, steps or COLA depending on whether contracts are settled with employee groups. OPE rate is recalculated each year and is currently 59% for full time and 35% for part time.

**Personal Services – P/T**

Compensation for part time faculty based on the college enrollment model and historic requirements for part time staff expense.

**Materials and Services:**

Includes all operating costs such as interest expense, supplies, contracts, utilities, repairs, etc. Projected but underfunded at current levels as there is annual erosion in purchasing power due to supply and utility increases.



**Capital Outlay:**

Funds capital investments such as library books and classroom equipment. Requirement tied to the Capital Asset Replacement schedule. Projected at current levels. Normally driven by the Capital Assets Replacement Forecast (CARF) but that has remained underfunded in recent years.

**Goods for Resale:**

This is the cost of goods for the revenue recorded in the Sales of Goods and Services category.

**Transfers Out:**

These are transfers from the general fund to fund requirements in other funds for capital improvements and major maintenance projects.

**Transfers Out – Financial Aid**

This is a transfer from the general fund to the Financial Aid Fund (Fund 5) to provide matching funds for Federal Work Study and funds the college Learn and Earn program for student workers. It also funds athletic scholarships. It is projected to increase at the HEPI rate.

**Fund IX – Administratively Restricted**

Fund IX was created in the FY03 budget to separate from the General Fund those units that rely entirely or primarily on resources other than state revenues, local property taxes and other general use revenues. For the purposes of maintaining historical trends and in order to properly monitor these units, Fund IX revenues and expenditures are included in budget projections.

**Appendix B: Principles, Criteria and Data Elements for Unit Planning**

These budget principles, criteria and data elements are used regularly by units to inform planning and budgeting at the unit level. In addition, they are used by committees allocating sources such as student tech fee and Perkins Grants. In the event of budget or program reductions these elements will inform those decisions.

Budget planning at Lane will be guided by the following principles:

1. Budget planning will be guided by the college strategic plan, unit plans, council plans and other planning efforts.
2. Budgets will focus on furthering the college mission.
3. Budgets must meet legal, contractual and accreditation obligations.
4. Budgets must meet board policies and involve as much input from the college community as possible
5. Maximize revenue generation balanced with accessibility and affordability.
6. Invest in new activities that maximize future revenue.
7. Support student enrollment, retention, success and learning while minimizing negative impact of budget constraints on quality of student services, instruction and college infrastructure.
8. Maximize investment in technology or streamlined work processes that will save resources.
9. Maintain ability to respond to community needs.
10. Avoid involuntary layoffs of permanent employees
11. Maintain existing facilities and equipment well and upgrade as needed.
12. Benchmark to best practices while recognizing intentional variations between Lane and national norms.
13. Using data and objective criteria in planning and resource allocation.

**INSTRUCTIONAL PROGRAMS**

<b>Criteria</b>	<b>Data Element</b>
Enrollment – demand	5-year Enrollment History; future trends
Program – Discipline cost	Cost per FTE; revenue; comparisons with selected Oregon colleges
Retention	Student Persistence at the institutional level; course completion
Capacity – Utilization	Capacity Analysis – class fill rate; student: faculty FTE
Essential courses required for degree/certificate	Student enrollment in required courses
Availability of jobs (for CT programs)	Employment Department data
Wages (for CT programs)	Employment Department data
Job Placement (for CT programs)	Employment Department data

**STUDENT SERVICES**

<b>Criteria</b>	<b>Data Element</b>
Enhances Student Engagement	Number of service contracts Number of unduplicated participants Demographics of individuals served Other evidence of enhancing engagement
Enhances Student Learning	Enhanced student persistence Enhances one of five benchmarks from the Community College Survey of Student Engagement (Active & Collaborative Learning, Student Effort, Faculty/Staff and Student Interactions, Academic Challenge, Support for Learners) Other evidence of enhancing learning
Enhances Student Satisfaction	ACT Satisfaction data CCSSE satisfaction data Other evidence of enhancing satisfaction

**STUDENT SERVICES (continued)**

<b>Criteria</b>	<b>Data Element</b>
Requirement for Service	Essential to completing a business process with students Essential to an effective educational experience Legally mandated
Uses resources efficiently	Comparison of faculty/staff to student ratios to national association standards and best practices. Develop appropriate institutional benchmarks Demand/capacity analysis (i.e., waitlists, complaints about access, etc.) Total general fund budget Budget from other sources (i.e., student fees, grants, etc.) Other evidence of efficient use of resources
Note: Because Student Services are so diverse, it is difficult or impossible to use a standard set of data elements for every service	

**College Services**

<b>Criteria</b>	<b>Data Element</b>
Service is essential to operation of the institution	Consequences of not having service Citation(s) for legal requirements (e.g. governing ORS, federal code, IRS and audit requirements)
Cost of service	Total General Fund support for service (offset by service charges) Service charges and other revenue that offset GF support Revenue directly provided to GF by service
Service is cost effective	Comparison to industry standards (e.g. housekeeping sq. ft./staff FTE, # of desktops/IT technician). Develop appropriate institutional benchmarks Cost comparisons with similar outside services Cost savings for college compared to cost of service
Service is utilized	Customer counts Service logs Number of transactions

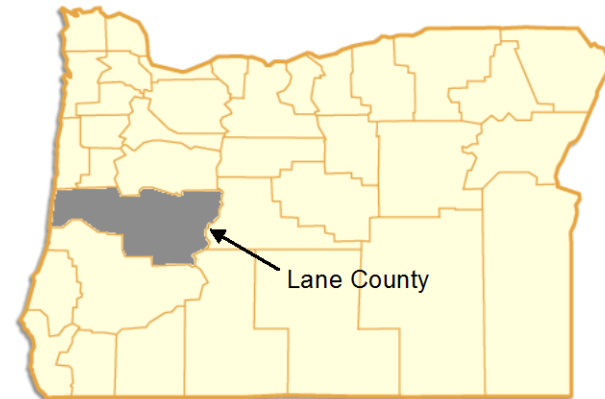
## Local and Regional Information

### 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 percent 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 and climate and outdoor recreational opportunities.

#### Lane County Fast Facts:

- County Seat: Eugene, Oregon
- Average Temperatures: January: 46°, July: 87°
- Annual Precipitation: 46"
- Population: 362,895
- Median Age: 39 years
- Assessed Value: \$30,453,751,282
- Real Market Value: \$50,854,997,502
- Principle Industries: Lumber & wood manufacturing, Health care, Government, Agriculture, Tourism, Retail Trade and Education
- Top 10 Employers: PeaceHealth, University of Oregon, Eugene School District, Lane County Government, State of Oregon, US Government, City of Eugene, Springfield School District, Lane Community College and Wal-Mart.
- Top 10 Taxpayers: IP Eat Three, Comcast, Valley River Center, Shepard Investment Group, Verizon, Century Link, NW Natural, CCC-Eugene LLC, Weyerhaeuser and McKay Investment Company LLC.



#### Economic Indicators:

Indicator	Lane County	Oregon
Labor Force	157,793	1,830,700
Median Home Value	\$214,300	\$234,100
Median Household Income	\$43,685	\$50,521
Per Capita Personal Income	\$24,720	\$27,173
Population	362,895	4,028,977
Unemployment Rate	4.9%	4.5%

Sources: [www.quickfacts.census.gov](http://www.quickfacts.census.gov) [www.qualityinfo.org](http://www.qualityinfo.org) [www.lanecounty.org](http://www.lanecounty.org) [www.city-data.com](http://www.city-data.com) [www.ncdc.noaa.gov](http://www.ncdc.noaa.gov) [www.usclimatedata.com](http://www.usclimatedata.com) [www.bls.gov](http://www.bls.gov)

## **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.

# Legal Notifications

## GUARD PUBLISHING COMPANY

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### Legal Notice Advertising

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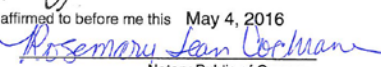
### AFFIDAVIT OF PUBLICATION

STATE OF OREGON, } ss.  
COUNTY OF LANE, }

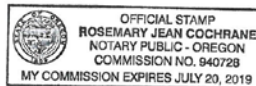
I, **Kelly Gant**, being first duly affirmed, depose and say that I am the Advertising Manager, or his principal clerk, of The Register-Guard, a newspaper of general circulation as defined in ORS 193.010 and 193.020; published at Eugene in the aforesaid county and state; that the **Notice of Budget Committee Meeting** printed copy of which is hereto annexed, is publishing in the entire issue of said newspaper for **one** successive and consecutive **Day(s)** in the following issues:

**May 04, 2016**

**NOTICE OF BUDGET COMMITTEE MEETING**  
A public meeting of the Budget Committee of the Lane Community College, Lane County, State of Oregon, on the budget for the fiscal year July 1, 2016 to June 30, 2017, will be held at LCC 4000 E 30th Ave, Eugene OR 97405, Bldg. 3 / Rm 316.  
The meeting will take place on May 11, 2016 at 5:00 p.m.  
The purpose of the meeting is to receive the budget message. This is a public meeting where deliberation of the Budget Committee will take place.  
An additional, separate meeting of the Budget Committee will be held to take public comment. Any person may appear at the meeting and discuss the proposed programs with the Budget Committee. The meeting for public comment will be on May 18, 2016 at 5:30 p.m. held at LCC 4000 E 30th Ave, Eugene OR 97405, Bldg 3 / Rm 216.  
A copy of the budget document may be inspected or obtained on or after May 11, 2016 at LCC 4000 E 30th Ave, Eugene OR 97405, Bldg 3 / Rm 101, between the hours of 8:00 a.m. and 5:00 p.m.  
To request accommodations that will facilitate your full participation in this event, contact the Center for Accessible Resources at least one week in advance at (541) 485-1100 or accessibleresources@lanecc.edu (link opens e-mail)  
Doc: 0647279 - May 4, 2016

  
Subscribed and affirmed to before me this **May 4, 2016**  
  
Notary Public of Oregon

Account #: **1000275**  
INVOICE: **6617373**  
Case: **May 11, 2016**  
Ad Price: **\$95.0**



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**Legal Notice Advertising**

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**AFFIDAVIT OF PUBLICATION**

STATE OF OREGON, }  
COUNTY OF LANE, } ss.

I, **Wendy Raz**, being first duly affirmed, depose and say that I am the Advertising Manager, or his principal clerk, of The Register-Guard, a newspaper of general circulation as defined in ORS 193.010 and 193.020; published at Eugene in the aforesaid county and state; that the **Notice of Budget Hearing** printed copy of which is hereto annexed, is publishing in the entire issue of said newspaper for **one** successive and consecutive **Day(s)** in the following issues:

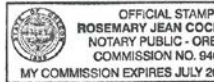
June 01, 2016

*Wendy Raz*

Subscribed and affirmed to before me this June 2, 2016

*Rosemary Jean Cochran*  
Notary Public of Oregon

Account #: **1000275**  
INVOICE **6644653**  
Case: **June 8, 2016**  
Ad Price: **\$440.0**



**FORM CCI - NOTICE OF BUDGET HEARING**  
A public meeting of the Lane Community College Board of Education will be held on June 8, 2016 at 4:30 pm at Lane Community College 4000 E 30th Avenue, Bldg 3 Room 216 Eugene, Oregon. The purpose of this meeting is to discuss the budget for the fiscal year beginning July 1, 2016 as approved by the Lane Community College Budget Committee. A summary of the budget is presented below. A copy of the budget may be inspected or obtained at Lane Community College, 4000 E 30th Avenue, Bldg 3 Room 181, Eugene, Oregon between the hours of 8:00 a.m. and 5:00 p.m., or online at [www.lanecol.edu/budget/budget-documents-and-development](http://www.lanecol.edu/budget/budget-documents-and-development). This Budget is for an annual budget period. This budget was prepared on a basis of accounting that is the same as the basis of accounting used during the preceding year.  
Contact: Telephone: Email:

**FINANCIAL SUMMARY - RESOURCES**

	Actual		Adopted		Approved	
	2014-15	2015-16	2014-15	2015-16	2014-15	2016-17
Beginning Fund Balance	\$63,476,435	\$79,527,424	\$79,527,424	\$79,527,424	\$79,527,424	\$79,527,424
Current Year Property Taxes, other than Local Option Taxes	\$24,510,291	\$23,475,435	\$23,475,435	\$23,475,435	\$23,475,435	\$23,475,435
Union and Fees	\$38,277,290	\$39,398,022	\$39,398,022	\$39,398,022	\$39,398,022	\$39,398,022
Other Revenue from Local Sources	\$124,266	\$0	\$0	\$0	\$0	\$0
Revenue from State Sources	\$36,959,123	\$46,950,080	\$46,950,080	\$46,950,080	\$46,950,080	\$46,950,080
Revenue from Federal Sources	\$51,830,293	\$55,663,851	\$55,663,851	\$55,663,851	\$55,663,851	\$55,663,851
Interfund Transfers	\$4,293,867	\$4,190,111	\$4,190,111	\$4,190,111	\$4,190,111	\$4,190,111
All Other Budget Resources	\$29,791,290	\$41,896,565	\$41,896,565	\$41,896,565	\$41,896,565	\$41,896,565
<b>Total Resources</b>	<b>\$309,364,169</b>	<b>\$298,117,268</b>	<b>\$298,117,268</b>	<b>\$298,117,268</b>	<b>\$298,117,268</b>	<b>\$298,117,268</b>

**FINANCIAL SUMMARY - REQUIREMENTS BY OBJECT CLASSIFICATION**

	Actual	Adopted	Approved
Personnel Services	\$86,560,229	\$91,295,396	\$91,295,396
Materials & Services	\$49,554,434	\$74,666,447	\$74,666,447
Financial Aid	\$52,460,170	\$96,791,191	\$63,190,590
Capital Outlay	\$1,964,869	\$2,390,755	\$2,390,755
Debt Service	\$11,854,026	\$12,404,890	\$12,602,419
Interfund Transfers	\$4,293,867	\$4,190,111	\$4,658,957
Operating Contingency	\$0	\$2,446,700	\$4,270,000
All Other Expenditures	\$0	\$0	\$0
Unappropriated Ending Fund Balance & Reserves	\$0	\$4,204,107	\$2,532,524
<b>Total Requirements</b>	<b>\$205,481,795</b>	<b>\$298,117,267</b>	<b>\$298,117,267</b>

**FINANCIAL SUMMARY - REQUIREMENTS AND FULL-TIME EQUIVALENT EMPLOYEES (FTE) BY FUNCTION**

	Actual	Adopted	Approved
Instruction	\$54,101,915	\$68,553,879	\$66,652,899
FTE	311.78	282.46	276.87
Instructional Support	\$6,299,430	\$7,013,215	\$6,643,677
FTE	43.83	49.43	39.99
Student Services other than Student Loans and Financial Aid	\$24,599,244	\$33,227,583	\$28,616,139
FTE	141.48	158.89	143.32
Student Loans and Financial Aid	\$53,877,027	\$56,732,191	\$63,190,590
FTE	0	0	0
Community Services	\$6,673,874	\$7,746,300	\$7,783,880
FTE	11.63	11.63	12.88
Support Serv. other than Facilities Acquisition and Construction	\$14,636,924	\$18,035,647	\$17,586,915
FTE	99.14	97.98	96.6
Facilities Acquisition and Construction	\$29,942,988	\$41,528,211	\$15,896,425
FTE	48.75	67.25	39.22
Interfund Transfers	\$4,293,867	\$4,190,111	\$4,658,957
Debt Service	\$11,854,026	\$12,404,891	\$12,602,419
Operating Contingency	\$0	\$4,507,138	\$18,134,483
Unappropriated Ending Fund Balance and Reserves	\$0	\$4,204,107	\$2,532,524
<b>Total Requirements</b>	<b>\$205,481,795</b>	<b>\$298,117,268</b>	<b>\$298,117,268</b>

**STATEMENT OF CHANGES IN ACTIVITIES AND SOURCES OF FINANCING**

	2014-15	2015-16	2016-17
Permanent Rate Levy (Rate Limit per \$1,000)	0.8910	0.8910	0.8910
Levy for General Obligation Bonds	\$7,169,051	\$6,181,000	\$7,078,000

**PROPERTY TAX LEVIES**

	Rate or Amount Imposed Last Year	Rate or Amount Imposed This Year	Rate or Amount Imposed Next Year
Approved	2014-15	2015-16	2016-17

**STATEMENT OF INDEBTEDNESS**

	Estimated Debt Outstanding on July 1	Estimated Debt Authorized, But Not Incurred on July 1
General Obligation Bonds	\$53,208,000	\$0
Other Bonds	\$67,468,743	\$0
Other Borrowings	\$372,676	\$0
<b>Total</b>	<b>\$121,049,419</b>	<b>\$0</b>

No. 6644653 - June 1, 2016



LANE COMMUNITY COLLEGE  
4000 East 30th Avenue  
Eugene, OR 97405

Board of Education  
June 8, 2016

**RESOLUTION NO. 605**

FISCAL YEAR 2016-17 BUDGET ADOPTION AND APPROPRIATION

WHEREAS the Board of Education of the Lane Community College District has received and reviewed the fiscal year 2016-17 Budget as approved by the Budget Committee; and,

WHEREAS the Budget committee approved the budget in the aggregate amount of \$236,116,819 and that the permanent tax rate of \$.6191 per \$1,000 of assessed value be assessed in support of the General Fund; and

WHEREAS the Board of Education further amended the budget to include a HEPI tuition increase of \$758,000 bringing the total budget for all funds to \$236,116,819.

WHEREAS it becomes necessary on July 1, 2016, for Lane Community College to lawfully make appropriations for funds for which it may initiate its instructional programs and meet its obligations;

NOW, THEREFORE, BE IT RESOLVED that the Board of Education of Lane Community College does hereby adopt the budget approved by the Budget Committee for fiscal year 2016-2017 and appropriates the amounts on the attached schedule to be expended against all budgeted resources commencing July 1, 2016, and expiring June 30, 2017, for the purpose of meeting its obligations.

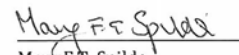
BE IT FURTHER RESOLVED, that the Chair of the Board file this Resolution with the Lane Community College District's County Clerks and County Assessors on or before July 15, 2016.

Adopted by the Board of Education on this 8<sup>th</sup> day of June, 2016.



Tony McCown, Board Chair

ATTEST:



Mary F.T. Spilde  
College President/District Clerk

RESOLUTION NO. 605	June 8, 2016
FY2016-2017 APPROPRIATED BUDGET REQUIREMENTS	
<b>FUND I, GENERAL</b>	
Instruction	47,044,287
Instructional Support	6,128,935
Student Services	9,614,409
College Support Services	14,829,127
Plant Operations & Maintenance	6,234,818
Transfers out	2,825,978
Operating Contingency/Reserves	<u>2,350,000</u>
Total	89,027,554
<b>FUND II, AUXILIARY</b>	
College Support Services	1,722,500
Transfers Out	53,500
Operating Contingency/Reserves	<u>400,000</u>
Total	2,176,000
<b>FUND III, DEBT</b>	
Debt Service Payments	13,662,419
<b>FUND IV, CAPITAL PROJECTS</b>	
Capital Projects	9,661,608
<b>FUND V, FINANCIAL AID</b>	
Financial Aide	63,190,500
Transfers Out	50,000
Operating Contingency/Reserves	<u>207,500</u>
Total	63,448,000
<b>FUND VI, ENTERPRISE</b>	
Instruction	117,127
Student Services	14,853,073
Transfers Out	1,471,500
Operating Contingency/Reserves	<u>7,987,799</u>
Total	24,429,499

<b>RESOLUTION NO. 605</b>	<b>June 8, 2016</b>
<b>FUND VIII, GRANTS</b>	
Instruction	4,932,880
Instructional Support	54,200
Student Services	1,018,840
Community Services	5,692,880
College Support Services	54,200
Transfers Out	<u>4,000</u>
Total	11,757,000
<b>FUND IX, SPECIAL REVENUE - ADMIN RESTRICTED</b>	
Instruction	5,316,605
Instructional Support	460,542
Student Services	3,129,817
Community Services	2,091,000
College Support Services	981,088
Transfers Out	253,979
Operating Contingency/Reserves	<u>7,189,184</u>
Total	19,422,215
<b>TOTAL ALL APPROPRIATED FUNDS</b>	<b>233,584,295</b>
<b>NON-APPROPRIATED BUDGET REQUIREMENTS</b>	
Fund I, General	
Unappropriated Ending Fund Balance	2,532,524
<b>TOTAL ALL FUNDS</b>	<b><u>236,116,819</u></b>

LANE COMMUNITY COLLEGE  
4000 East 30th Avenue  
Eugene, OR 97405

Board of Education  
June 8, 2016


**RESOLUTION NO. 606  
IMPOSING AND CATEGORIZING TAXES FOR FISCAL YEAR 2016-2017**

BE IT RESOLVED that the Board of Education of the Lane Community College District hereby imposes the taxes provided for in the fiscal year 2016-17 adopted budget at the rate of \$.6191 per \$1,000 of assessed value for operations and in the amount of \$7,078,000 for Bonded Debt; and that these taxes are hereby imposed and categorized for the tax year 2016-17 upon the assessed value of all taxable property within the district.

	Subject to the Education Limitation:	Exclude from the Limitation:
General Fund	\$.6191/\$1,000	
Debt Services Fund		\$7,078,000


BE IT FURTHER RESOLVED, that the Chair of the Board files this Resolution with the Lane Community College District's County Clerks and County Assessors on or before July 15, 2016.

Adopted by the Board of Education on this 8<sup>th</sup> day of June, 2016.



\_\_\_\_\_  
Tony McCown, Chair

ATTEST:

  
\_\_\_\_\_  
Mary F.T. Spilde  
College President/District Clerk

## Glossary of Terms

**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 percent 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.

**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.

**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 equal resources in every fund.

**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 percent 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 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 the local government's comprehensive financial plan for one fiscal year. The report includes a balanced statement of actual revenues and expenditures during each of the last two years and estimated revenues and expenditures for the current and upcoming 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 adopted 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 assessment, 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.

**Governmental Accounting Standards Board (GASB):** is the source of generally accepted accounting principles (GAAP) used by state and local governments in the United States. As with most of the entities involved in creating GAAP in the United States, it is a private, non-governmental organization.

**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 unit which may be made to support a specified purpose or 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.

**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.

**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.

**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.

**Net Working Capital:** The sum of the cash balance accounts receivable expected to be realized during the ensuing year, inventories, supplies, prepaid expenses less current liabilities and, if encumbrance method of accounting is used, reserve for encumbrances.

**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 personal services, materials 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 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.

**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. It cannot be used to authorize a tax.

**Swirl:** The average annual savings realized through contracted personnel attrition and hiring that occurs after the base projection position list is developed

**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 student 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 local government 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.

## Glossary of Acronyms

AAC&U	American Association of Colleges and Universities
AACC	American Association of Community Colleges
AAOT	Associat of Arts Oregon Transfer (degree)
AAUP	American Association of University Professors
AAWCC	American Association of Women in Community Colleges
ABE	Adult Basic Education
ABSE	Adult Basic Skills & Secondary Education
ACCT	Association of Community College Trustees
ACT	American College Test
AFT	American Federation of Teachers
ASLCC	Associated Students of LCC
ATC	Academic Technology Center
BDC	Business Development Center
BSD	Basic Skills Development
CAFR	Comprehensive Annual Financial Report
CAPTE	Commission on Accreditation in Physical Therapy Education
CARF	Capital Assets Replacement Forecast
CCFIS	Community College Financial Information System
CCSF	Community College Support Fund
CCSSE	Community College Survey of Student Engagement
CCWD	Community Colleges and Workforce Development (Department of)
CES	Career Employment Services
CEU	Continuing Education Unit
CIA	Council of Instructional Administrators(Oregon)/Chief Academic Officers
CML	Center for Meeting and Learning
COLA	Cost of Living Adjustment
Co-op	Cooperative Education
CPI	Consumer Price Index
CSL	Current Service Level
CSSA	Council of Student Services Administrators
ERB	Employee Relations Board

ESD	Education Service District
ESL	English as a Second Language
FEC	Fitness Education Center
FERPA	Family Educational Rights and Privacy Act
FTE	Full-time equivalency
FWS	Federal Work Study
FY	Fiscal Year (FY12 = Fiscal Year 12)
GAAP	Generally Accepted Accounting Principles
GDP	Gross Domestic Product
GED	General Education Development
GF	General Fund
HEA	Higher Education Act
HEPI	Higher Education Price Index
IESL	International (student) English as a Second Language
IRAP	Institutional Research, Assessment & Planning
JTPA	Job Training Partnership Act
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)
LGIP	Local Government Investment Pool
LIFE	Lasting Improvements For Employees (LCC's Employee Wellness Program)
"L" #	Identifying number assigned to LCC staff and students.
LTD	Lane Transit District
NEA	National Education Association
NWAACC	Northwest Athletic Associatoin of Community Colleges
OAR	Oregon Administrative Rule
OATC	Oregon Advanced Technology Consortium
OCCA	Oregon Community College Association
OCCCR	Oregon Community College Council of Institutional Researchers

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OCCS	Office of Community College Services
OCCSA	Oregon Community College Students Association
OCCURS	Oregon Community College Unified Reporting System
OCESP	Oregon Council for Education Support Professionals
ODE	Oregon Department of Education
OEA	Oregon Education Association
OFTEHP	Oregon Federation of Teachers, Education and Health Professionals
OICA	Oregon Independent Colleges Association
ONE	Oregon Network for Education
OPE	Other Payroll Expenses
OPTE	Office of Professional Technical Education
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
OSBHE	Oregon State Board of Higher Education
OSEA	Oregon School Employees Association
OUS	Oregon University System
PECBA	Public Employee Collective Bargaining Act
PERS	Public Employee Retirement System
RTEC	Regional Technology in Education Consortium
SBDC	Small Business Development Center
SBE	State Board of Education
SDA	Service Delivery Area (JTPA services)
SLI	Strategic Learning Initiative
SSA	Student Service Associates
STEM	Science, Technology, Engineering and Math
UEFB	Unappropriated Ending Fund Balance
WIA	Workforce Investment Act
WICHE	Western Interstate Commission on Higher Education
WTI	West Texas Intermediate
UAL	Unfunded Actuarial Liability



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