



**BUDGET DOCUMENT**  
**FISCAL YEAR 2017-2018**



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished  
Budget Presentation  
Award*

PRESENTED TO

**Lane Community College  
Oregon**

For the Fiscal Year Beginning

**July 1, 2016**

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, 2016. 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 12<sup>th</sup> consecutive year the college's budget document has earned this prestigious award.

# Table of Contents

<b>Budget Message</b> .....	1	Budget and Fund Structure Graph.....	54
Schedule of Changes Between Proposed and Adopted Budget.....	5	Schedule of Interfund Transfers.....	55
<b>Introduction</b>		Change in Fund Balance.....	57
Local and Regional Information.....	7	<b>General Fund I &amp; Administratively Restricted Fund IX</b>	
About Lane Community College.....	8	General Fund I.....	60
Enrollment and Degree Statistics.....	10	General Fund Requirements by Expense Category.....	67
Board of Education.....	12	Administratively Restricted Fund IX.....	71
Organizational Chart.....	13	<b>Capital and Debt</b>	
Vision, Mission and Core Themes.....	14	Long-Term Debt Obligations with Debt Fund III Schedule.....	76
Values.....	15	Capital Projects Fund Schedule.....	81
Strategic Directions.....	16	Capital Budget.....	82
<b>Overview</b>		<b>Auxiliary Funds</b>	
Budget Committee.....	19	Internal Service Fund II.....	91
Budget Calendar, Development Process and Amendment Process.....	20	Financial Aid Fund V.....	92
Operating Resources & Forecasting Methodology.....	22	Enterprise Fund VI.....	93
Operating Expenditures & Forecasting Methodology.....	28	Special Revenue Fund VIII.....	95
Economic Environment.....	33	<b>Personnel Services</b>	
Major Revenue Forecast Funds I & IX.....	41	Contracted Personnel Budget By Function.....	96
Major Expenditure Trends.....	43	<b>Appendix</b>	
Five-Year General Fund Forecast.....	46	Appendix A: Budget Structure and Functions.....	A1
Fiscal Performance Indicators.....	48	Appendix B: Financial Policies.....	B1
Fiscal Indicators Scorecard.....	50	Appendix C: Affirmative Action.....	C1
<b>Annual Planning</b>		Appendix D: Legal Notifications & Resolutions.....	D1
Summary – All Funds.....	51	Appendix E: Glossary of Terms & Acronyms.....	E1
Consolidated Resources & Requirements – All Funds.....	52		

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**BUDGET MESSAGE**  
**FISCAL YEAR 2017-2018**

Presented April 26, 2017



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 2017-2018 budget for Lane Community College. The total proposed annual budget is \$218,133,874. The proposed general fund budget totals \$87,703,200.

Lane’s budget reflects the prioritization and allocation of resources to support the college’s vision, mission, and strategic directions.

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.

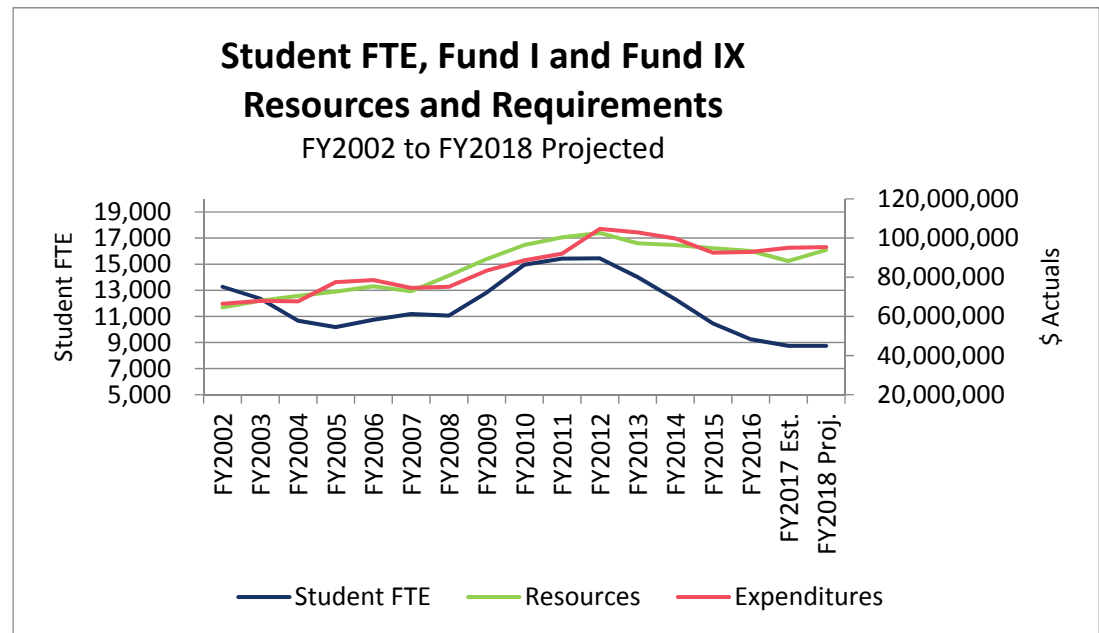
Strategic Directions from the college’s 2016-2021 Strategic Plan:

- Commitment to Student Learning and Success
- A Culture of Teaching, Learning and Innovation
- Access, Equity, and Inclusion through Social Justice
- Strengthened Community
- Financial and Environmental Stewardship

In preparing the proposed budget, revenue and expenditure forecasts are developed within the context of the current economic environment. We continue to be challenged by declining enrollments, historically low unemployment rates, and long-term state disinvestment in higher education funding.

At the onset of the fiscal year 2017-2018 budget development process, the Board of Education outlined four principles to guide the work:

- 1) The college can no longer afford to do everything it is currently doing and must look at the expense base.
- 2) The college must limit the use of one-time funds.
- 3) The college should invest in growth opportunities to meet student and workforce demand.
- 4) The college needs to continue to invest in student success.



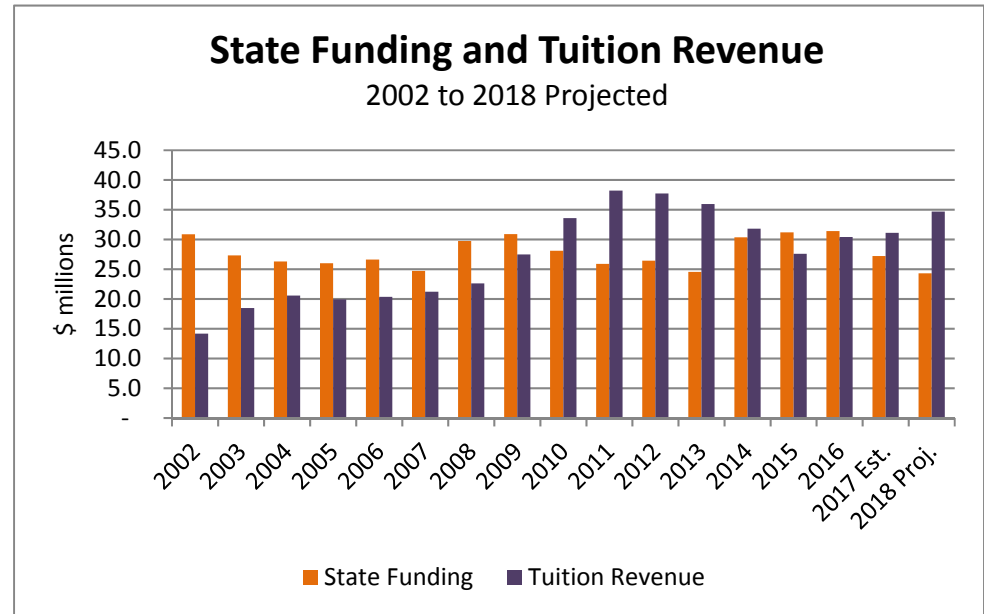
The fiscal year 2017-2018 proposed budget reflects this direction from the board and includes a difficult mix of balancing options that will impact our students, our staff and our community. In order to close a budget gap in excess of \$10 million-- created by use of one-time funds, personnel cost increases and continued declines in enrollment-- the college looked to materials and services and part-time faculty and staff reductions; withholding capital outlay funding and transfers; holding vacant positions open; reorganization; and program and service reductions. On the revenue side, the proposed budget includes tuition and fee increases, program growth, and entrepreneurial activities. The fiscal year 2017-2018 proposed budget reflects recurring balancing items with minimal use of one-time or non-recurring funds.

**Economic Environment**

Community College Support Fund (CCSF) state funding for the 2017-2019 biennium has yet to be set by the legislature. The college budget assumes that the CCSF funding will be \$556 million and that Lane’s percentage allocation of state funding will decline due to our relatively steeper three-year decline in enrollment compared with the other sixteen community colleges. The proposed budget assumes an 8.7 percent share of the CCSF as compared to a high of 13.35 percent in fiscal year 2012-2013. If the state is unable to increase the CCSF above \$556 million, in fiscal year 2017-2018, Lane will receive its lowest state contribution in the past 15 years.

The proposed budget includes an inflationary adjustment for tuition and differential fees [Board Policy 725] as well as an additional \$5 per credit increase. The college’s technology fee was increased \$5 per credit to support needed investment academic technology. The Health Clinic fee was raised from \$12 to \$45 per term in order to maintain this vital service to students and staff.

The current (fiscal year 2016-2017) budget planned to use \$5.9 million of one time funds which made the 2017-2018 budget process doubly challenging. With additional enrollment declines, the projected current year operating deficit is \$6.78 million. The proposed budget projects the general fund June 30, 2017 fund balance to be \$6.81 million, which is 8.5 percent of expenditures. 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.



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 8,700 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.

Last year there was hope that the state would be able to increase the 2017-2019 CCSF; however, at this time \$556 million is the state's projections. If the state was able to increase 2017-2019 CCSF funding to \$634 million the college would be able hold tuition at the inflationary adjustment.

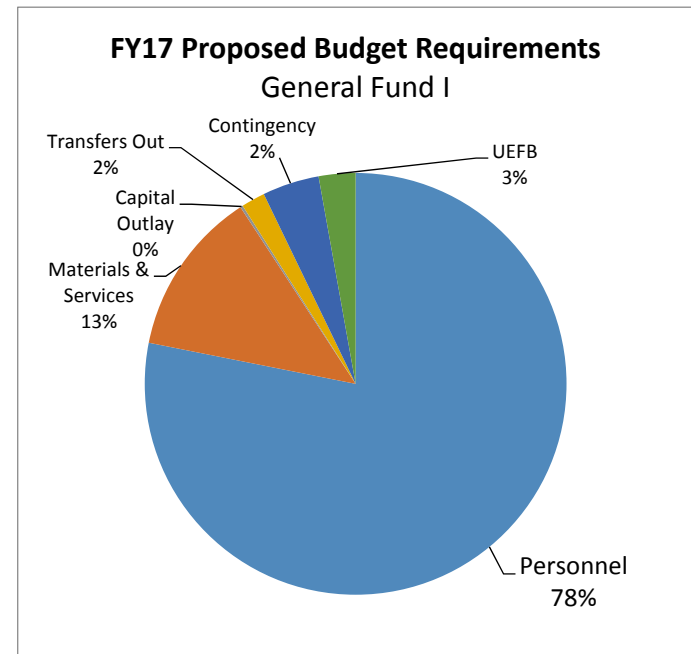
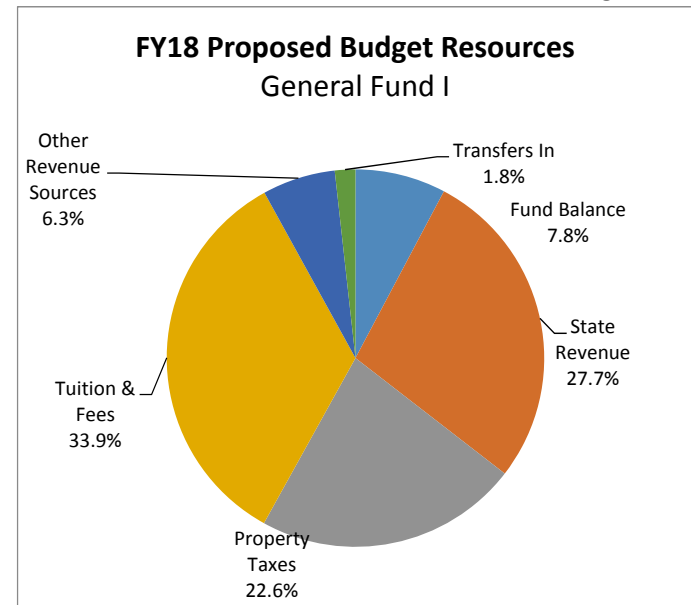
Planning for decreased investment by the state requires strategic tradeoffs and choices, such as increasing tuition and fee revenue, maintaining service levels at lower cost, downsizing the college and subsequently reducing opportunities available to students, or some combination therein.

**General Fund Budget for Fiscal Year 2017-2018**

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 proposed general fund budget for 2017-2018 is \$87.7 million, a 4 percent decrease from the 2016-2017 budget. Budgeted tuition and fee revenues are \$29.7 million, reflecting a tuition rate increase and projected flat enrollment. State revenue decreased 11 percent, year-over-year, from \$27.2 million to \$24.3 million.

Even with the reductions in personnel and savings realized from holding vacant positions open, personnel services continue to constitute the majority of the general fund budget – approximately 78 percent as proposed.



The proposed budget for the special revenue administratively restricted fund is \$21.8 million. 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 Administratively Restricted Fund IX.

#### 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 2017-18 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

<b>TOTAL BUDGET: ALL FUNDS</b>	
General Fund (I)	\$87,703,200
Internal Services Fund (II)	1,791,170
Debt Service Fund (III)	13,830,466
Capital Projects Fund (IV)	7,491,369
Financial Aid Fund (V)	52,334,500
Enterprise Fund (VI)	21,451,875
Special Revenue Fund (VIII)	11,757,000
Special Revenue: Admin Restricted (IX)	21,774,294
<b>Total All Funds</b>	<b>\$218,133,874</b>



**Schedule of Changes between FY18 Proposed, Budget Committee Approved, and Board Adopted Budget**

Fund	Program	Staff Proposed Budget	Changes	Notes	Budget Committee Approved Budget	Board Adopted Budget
General Fund I	Instruction	43,598,378	362,842	Funding for Early Childhood Education program, reassignment of counseling and health professions faculty, position list updates	43,961,220	43,961,220
	Instructional Support	6,186,440	100,848	High School Connections moved from Fund IX, position list updates	6,287,288	6,287,288
	Student Services	9,303,672	(77,615)	Reduction to First Year Experience scale up, position list updates	9,226,057	9,226,057
	College Support Services	14,425,829	(266,075)	Staggered hiring	14,159,754	14,159,754
	Plant Operations & Maintenance	6,240,709	-		6,240,709	6,240,709
	Contingency	3,884,821	-		3,884,821	3,884,821
	Transfers Out	1,597,551	-		1,597,551	1,597,551
	Unappropriated Ending Fund Balance	2,465,800	-		2,465,800	2,465,800
		<b>87,703,200</b>	<b>120,000</b>		<b>87,823,200</b>	<b>87,823,200</b>
Internal Service Fund II	College Support Services	1,339,500	-		1,339,500	1,339,500
	Contingency	401,670	-		401,670	401,670
	Transfers Out	50,000	-		50,000	<b>50,000</b>
		<b>1,791,170</b>	-		<b>1,791,170</b>	<b>1,791,170</b>
Debt Service Fund III	Debt Service	<b>13,830,466</b>	-		<b>13,830,466</b>	<b>13,830,466</b>
		<b>13,830,466</b>	-		<b>13,830,466</b>	<b>13,830,466</b>
Capital Projects Fund IV	Capital Projects	7,051,369	-		7,051,369	7,051,369
	Transfers Out	440,000	-		440,000	440,000
		<b>7,491,369</b>	-		<b>7,491,369</b>	<b>7,491,369</b>
Continued						

Schedule of Changes between FY18 Proposed, Budget Committee Approved, and Board Adopted Budget						
Fund	Program	Staff Proposed Budget	Changes	Notes	Budget Committee Approved Budget	Board Adopted Budget
Financial Aid Fund V	Financial Aid	50,315,500	-		50,315,500	50,315,500
	Contingency	1,969,000	-		1,969,000	1,969,000
	Transfers Out	50,000	-		50,000	50,000
		<b>52,334,500</b>	-		<b>52,334,500</b>	<b>52,334,500</b>
Enterprise Fund VI	Instruction	129,244	-		129,244	129,244
	Student Services	13,693,415	-		13,693,415	13,693,415
	Contingency	6,350,066	-		6,350,066	6,350,066
	Transfers Out	1,279,150	-		1,279,150	1,279,150
		<b>21,451,875</b>	-		<b>21,451,875</b>	<b>21,451,875</b>
Special Revenue Fund VIII	Instruction	4,911,300	-		4,911,300	4,911,300
	Instructional Support	54,500	-		54,500	54,500
	Student Services	1,023,400	-		1,023,400	1,023,400
	Community Services	5,709,300	-		5,709,300	5,709,300
	College Support Services	54,500	-		54,500	54,500
	Transfers Out	4,000	-		4,000	4,000
		<b>11,757,000</b>	-		<b>11,757,000</b>	<b>11,757,000</b>
Administratively Restricted Fund IX	Instruction	6,120,190	-		6,120,190	6,120,190
	Instructional Support	862,638	(120,000)	High School Connections moved to Fund I	742,638	742,638
	Student Services	2,708,116	-		2,708,116	2,708,116
	Community Services	2,079,140	-		2,079,140	2,079,140
	College Support Services	977,329	-		977,329	977,329
	Contingency	7,750,773	-		7,750,773	7,750,773
	Transfers Out	1,276,108	-		1,276,108	1,276,108
		<b>21,774,294</b>	<b>(120,000)</b>		<b>21,654,294</b>	<b>21,654,294</b>
<b>Total Budget</b>		<b>218,133,874</b>			<b>218,133,874</b>	<b>218,133,874</b>



# **INTRODUCTION**

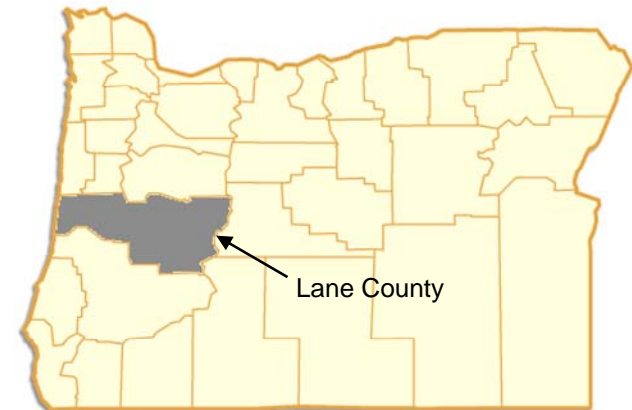
## Local and Regional Information

### 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: 47°, July: 88°
- Annual Precipitation: 46"
- Population: 362,895
- Median Age: 39 years
- Assessed Value: \$31,441,712,573
- Real Market Value: \$52,783,387,805
- 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, Peacehealth, Weyerhaeuser Company, Gateway Mall Partners



#### Economic Indicators:

Indicator	Lane County	Oregon
Labor Force	183,904	1,877,100
Median Home Value	\$235,800	\$264,100
Median Household Income	\$47,318	\$54,148
Per Capita Personal Income	\$39,871	\$43,783
Population	362,895	4,093,465
Unemployment Rate	4.2%	3.7%

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.usclimatedata.com](http://www.usclimatedata.com)

## About Lane Community College

### Institutional Overview

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

Lane's service district represents approximately 360,000 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 9,250 full-time-equivalent (FTE) students in the 2015-2019 academic year. Approximately 86% 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 2013-2014 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 Center; 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, enhancing the governance system, assessing student learning outcomes, scaling up its pilot program review process, implementing its cultural competency policy, and expanding communications related to student complaint procedures. During 2015-2016, the college developed a new five-year strategic plan and has begun implementation of college-wide strategic priorities.

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; and a 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 36% 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.

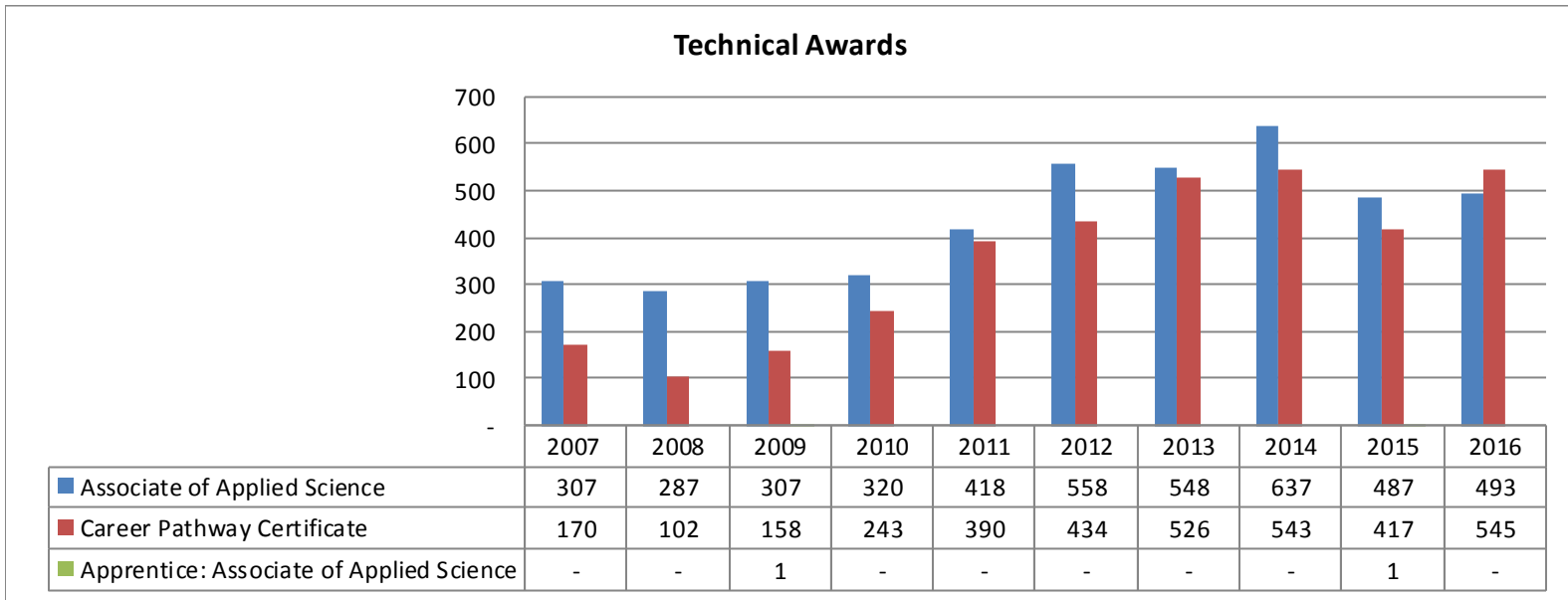
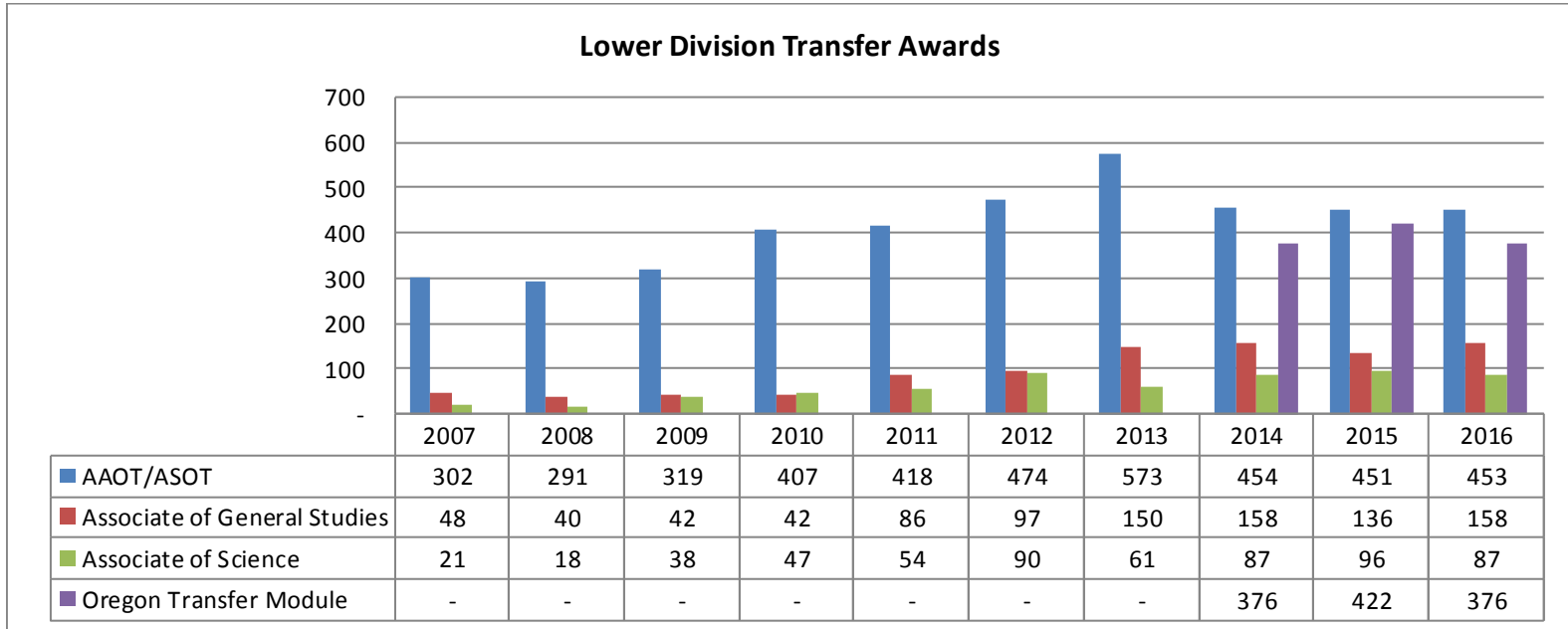
The college provides benefits to the community, both in terms of economic growth and investment. For example, the accumulated credits achieved by former Lane students over the past 30 years translate to \$328.5 million in added regional income each year due to the higher earnings of students and increased output of businesses (Economic Impact Study 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.

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

**Enrollment & Degree Statistics****Fiscal Years 2007 through 2016**

<b>Enrollment Statistics</b>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Unduplicated Headcount	35,666	34,508	36,899	37,783	37,561	38,671	37,254	33,695	30,449	28,219
Full-time Equivalent Student	11,189	11,065	12,823	14,958	15,417	15,375	14,015	12,312	10,464	9,250
<b>Lower Division Transfer Awards</b>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
AAOT/ASOT	302	291	319	407	418	474	573	454	451	453
Associate of General Studies	48	40	42	42	86	97	150	158	136	158
Associate of Science	21	18	38	47	54	90	61	87	96	87
Oregon Transfer Module	-	-	-	-	-	-	-	376	422	376
Total Transfer Awards	371	349	399	496	558	661	784	1,075	1,105	1,074
<b>Technical Awards</b>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Associate of Applied Science	307	287	307	320	418	558	548	637	487	493
Career Pathway Certificate	170	102	158	243	390	434	526	543	417	545
Apprentice: Associate of Applied Science	-	-	1	-	-	-	-	-	1	-
Total Technical Awards	477	389	466	563	808	992	1,074	1,180	905	1,038
Total Awards	<u>848</u>	<u>738</u>	<u>865</u>	<u>1,059</u>	<u>1,366</u>	<u>1,653</u>	<u>1,858</u>	<u>2,255</u>	<u>2,010</u>	<u>2,112</u>

Source: 2016 Comprehensive Annual Financial Report (CAFR)



## 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.

**Melanie Muenzer**, Associate Vice President, Eugene  
Appointed April 2017, term expires June 30, 2019  
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

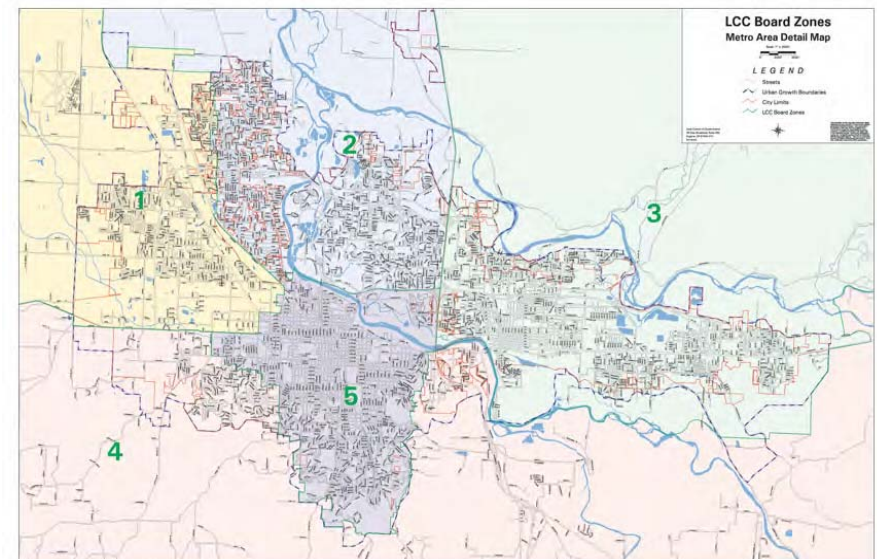
**Philip Carrasco**, Bilingual Assessor, Eugene  
Elected July 2015, term expires June 30, 2019  
Zone 5-Central Eugene

**Rosie Pryor**, Retired, Eugene  
Elected July 2011, term expires June 30, 2019  
At-Large, Position 6

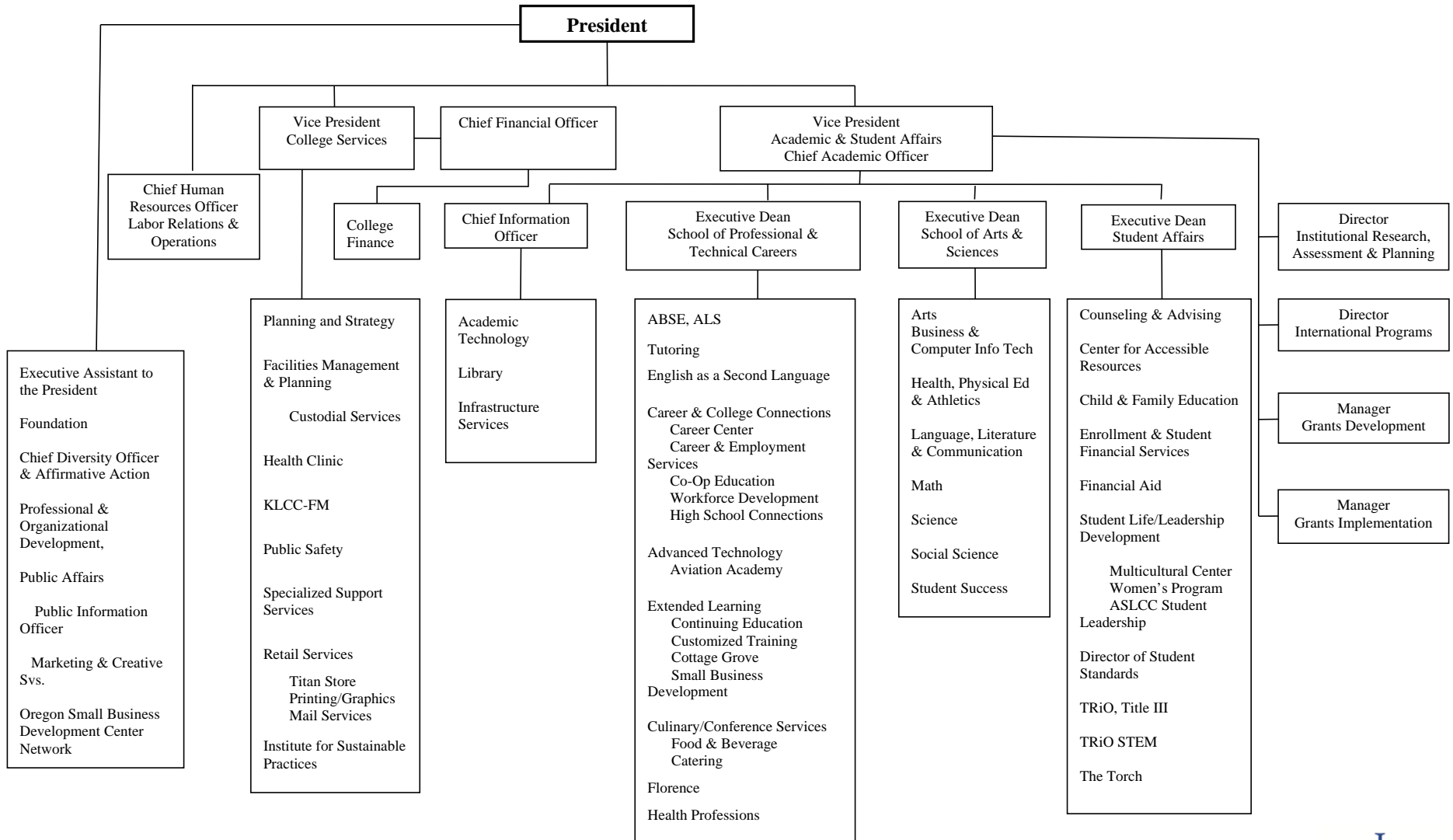
**Tony McCown**, Education Consultant, Springfield  
Elected May 2007, term expires June 30, 2019  
At-Large, Position 7



LCC Board of Directors & College President Mary Spilde



# Organizational Chart





# 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.

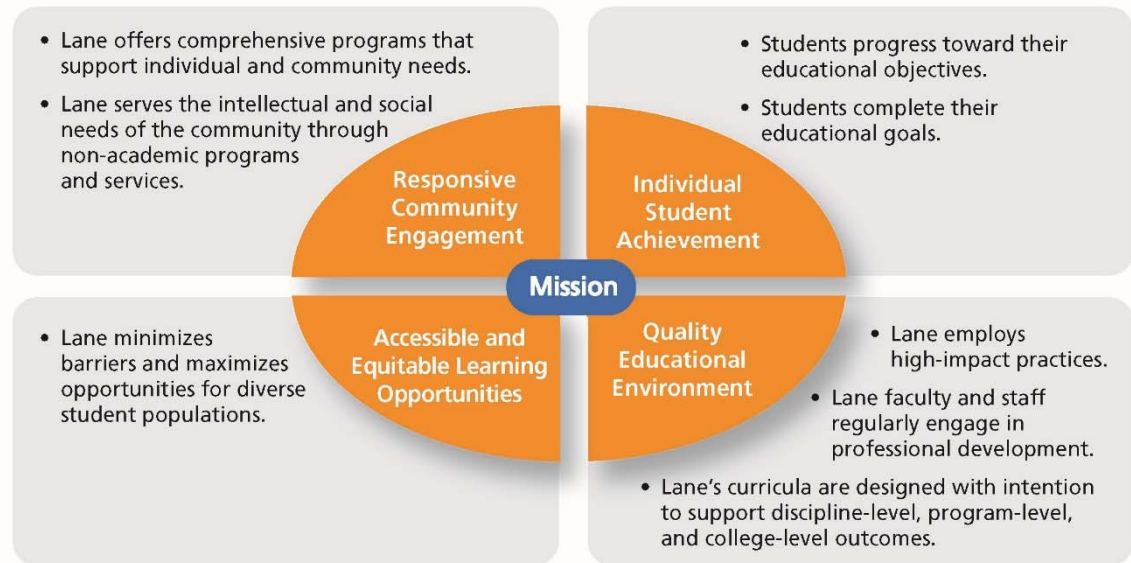
### Core Theme 3: Quality Educational Environment

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



## 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

## 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>.

### 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





## **OVERVIEW**

Lane Community College  
2017 - 2018 Budget Committee

Phillip Carrasco  
Mike Eyster  
Jeff Farm  
Susie Johnston  
Matt Keating

Hillary Kittleson  
Gary LeClair  
Kevin Matthews  
Tony McCown  
Tim Morris

Melanie Muenzer  
Jason Ormsby  
Rosie Pryor  
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

The Chief Financial Officer, Lane’s Budget Officer, is appointed by the Board of Education.

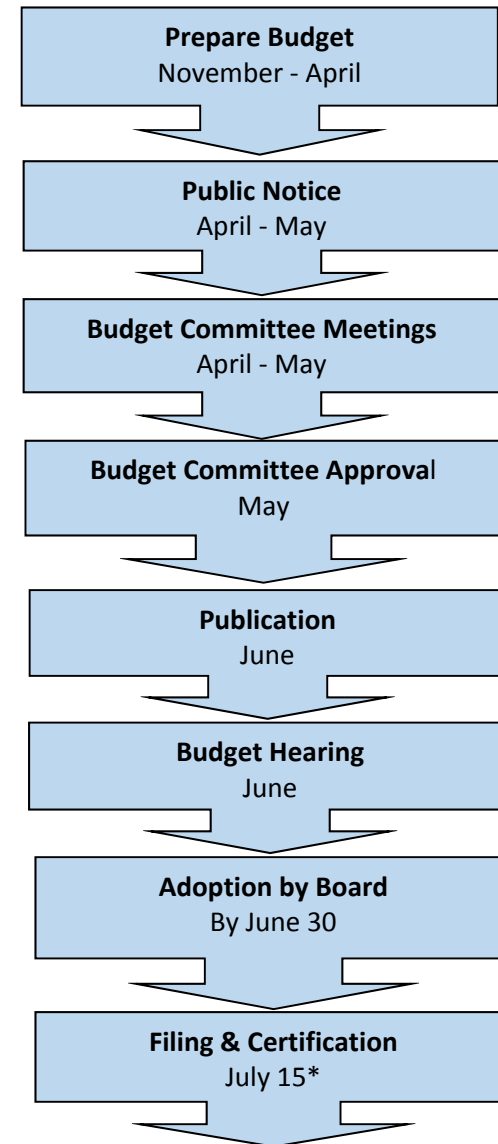
### III Prepare a Proposed Budget

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>

**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.

## Operating Resources

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

### Operating Resource Categories, Funds I & IX



### State Funding

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

#### Oregon Community Colleges State Funding Formula

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

- (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.

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

### Property Taxes

Lane receives property taxes based upon assessed property values in Lane County and small portions of Linn, Benton, and Douglas Counties. A tax rate limitation was established in 1990 as the result of a constitutional amendment, Article XL Section 11b (often called “Measure 5”.) This limits education taxes to \$5 per 1,000 of the taxable real market value of property. If taxes on a property exceed this limit, tax rates are compressed, thereby reducing revenue received by the college<sup>1</sup>. Property tax revenues are incorporated into the state funding formula as illustrated on page 21, and are thus subject to equalization across all 17 community college districts.

When forecasting property tax revenues, staff review county records for assessed value and collection rates, actual collections, and housing market trends and forecasts.

### Tuition

Credit students at Lane pay a per-credit tuition rate based upon their residency status.

Tuition revenue is forecast through term by term enrollment trend analysis, review of external and environmental factors (such as economic and employment conditions, high school graduation rates, and financial aid regulatory changes), application of tuition rate changes, and offsets such as tuition waivers and discounts.

### Student Fees

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

- The **Technology Fee** is assessed to all credit students at a rate of \$9 per credit. The fee helps cover the cost of technology used to run classes and serve students through “smart” classrooms, online courses, wi-fi, internet access, computer labs, and staff support.
- Students taking credit classes on main campus are assessed a **Transportation Fee** of \$27 per term. This fee pays for expenses related to parking lot maintenance and security, as well as providing all credit students with a Lane Transit District (LTD) bus pass for the term. Credit students taking classes at locations other than main campus pay \$5 per term for transportation fees. This pays for expenses related to parking lot maintenance and security at outreach sites.
- Main campus credit students also pay a \$56.05 per term **Student Activity Fee**. This fee is voted on by the student body in the Associated Students of Lane Community College (ASLCC) spring elections and is used to support student activities and services.
- The **Student Health Fee** of \$45/term is paid by students taking credit courses on main campus and is used to fund the college’s Health Clinic.
- Credit students enrolling in their first term at Lane are assessed a one-time, \$30, **One-Time Credit Enrollment Fee**. This fee helps cover the cost of placement testing and degree evaluation.
- Students taking online courses pay a \$25/course **Online Course Fee** to support online course development, technological support and quality assessment.
- Students in high-cost health professions and advanced technology programs pay **Differential Fees** that vary by program and help offset cost differentials in these programs.
- Students pay class fees that go into an **Income Credit Program (ICP)** fund for a variety of consumable, class-specific materials, supplies and equipment. These vary by class and are usually expensed in the year in which they are received.
- Continuing Education students pay **Continuing Education Course Fees**, which vary by course.

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<sup>1</sup> In fiscal year 2016, there was \$286,800 of compression of the college’s permanent rate due to the tax rate limitation.

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

**Other Fees & Charges**

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

**Administrative Recovery**

The general fund receives administrative recovery from several sources:

- The International Students Program, which operates in the Enterprise Fund VI, contributes \$600,000 to the general fund on an annual basis to offset overhead and administrative costs. Similarly, the Titan Store, also operating in the Enterprise Fund, contributes \$500,000 annually to administrative recovery.
- The Lane Community College Foundation reimburses the general fund for staff salaries, based on actual payroll and benefit expenses.
- The college receives revenue from grant programs it administers based upon the chargeback or administrative rate, which varies by grant. This is forecast by reviewing the college's current grant portfolio and anticipated new grant activity.
- Finally, the college receives funding for administering student Pell grants at a rate of \$5 per student per year. This is forecast through Pell enrollment projections.

**Gifts & Donations**

The primary source of gift and donation revenue in Funds I & IX is through the college's radio station, KLCC FM, membership contributions. This is forecast through trend analysis and radio station strategic planning metrics. Other sources of gifts and donations come from specific program-support donations and are de minimis within the context over overall revenues.

**Sale of Goods & Services**

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

**Other Revenue Sources**

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

**Operating Transfers In**

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



Table 1: Summary of Resource Categories, Data Sources and Key Forecasting Variables/Assumptions

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

(Continued)

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

Table 2: History of Revenue Sources, Funds I &amp; IX

Category	FY2007	FY2008	FY2009	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016
<b>Intergovernmental</b>										
State Funding*	24,701,200	29,741,600	30,888,700	28,091,800	26,306,900	26,429,900	24,751,100	30,363,300	31,213,000	31,421,400
as % Total CCWD Funding Allocation				12.76%	13.03%	13.21%	13.35%	13.42%	12.84%	11.46%
Property Taxes	13,597,900	13,934,900	14,759,000	15,635,400	15,693,300	15,746,500	16,292,300	16,513,100	17,527,800	18,013,800
	<b>38,299,100</b>	<b>43,676,500</b>	<b>45,647,700</b>	<b>43,727,200</b>	<b>42,000,200</b>	<b>42,176,400</b>	<b>41,043,400</b>	<b>46,876,400</b>	<b>48,740,800</b>	<b>49,435,200</b>
as % Total	52.6%	54.0%	51.1%	45.4%	41.8%	41.1%	42.2%	48.6%	51.4%	52.9%
<b>Tuition &amp; Fees</b>										
Tuition	21,217,900	22,613,500	27,470,400	33,582,200	38,216,100	37,729,000	35,951,600	31,818,900	27,904,500	23,956,600
Student Fees	5,056,100	5,473,900	6,328,500	7,656,500	8,441,800	8,449,800	8,354,900	7,597,400	7,041,300	6,472,300
Other Fees & Charges	1,207,900	1,611,100	1,753,200	1,528,700	1,660,200	1,550,200	1,492,400	1,468,300	1,431,300	1,411,200
	<b>27,481,900</b>	<b>29,698,500</b>	<b>35,552,100</b>	<b>42,767,400</b>	<b>48,318,100</b>	<b>47,729,000</b>	<b>45,798,800</b>	<b>40,884,600</b>	<b>36,377,100</b>	<b>31,840,100</b>
as % Total	37.7%	36.8%	39.8%	44.4%	48.1%	46.5%	47.0%	42.4%	38.4%	34.1%
<b>Other Revenue Sources</b>										
Administrative Recovery	670,500	473,300	857,900	471,400	1,357,900	557,600	1,128,400	571,100	1,293,700	1,889,700
Gifts & Donations	1,284,900	1,295,700	891,000	989,000	961,000	1,066,800	1,030,600	900,300	1,194,500	1,139,500
Other Revenue Sources	2,334,000	2,457,400	2,282,800	3,355,000	3,549,200	3,849,200	3,595,300	2,990,000	2,986,900	2,650,800
Sale of Goods & Services	1,592,800	1,439,900	1,445,200	1,449,400	1,886,700	2,383,200	2,297,900	2,298,800	2,619,000	3,158,500
	<b>5,891,200</b>	<b>5,666,300</b>	<b>5,476,800</b>	<b>6,264,900</b>	<b>7,754,800</b>	<b>7,856,700</b>	<b>8,052,200</b>	<b>6,760,000</b>	<b>8,093,600</b>	<b>8,838,400</b>
as % Total	8.1%	7.0%	6.1%	6.5%	7.7%	7.7%	8.3%	7.0%	8.5%	9.5%
<b>Transfers In</b>										
<b>Operating Transfers In</b>	<b>1,135,500</b>	<b>1,769,300</b>	<b>2,602,800</b>	<b>3,658,400</b>	<b>2,328,200</b>	<b>4,819,800</b>	<b>2,455,500</b>	<b>1,884,500</b>	<b>1,619,000</b>	<b>3,294,700</b>
as % Total	1.6%	2.2%	2.9%	3.8%	2.3%	4.7%	2.5%	2.0%	1.7%	3.5%
<b>Total All</b>	<b>72,807,600</b>	<b>80,810,600</b>	<b>89,279,400</b>	<b>96,417,900</b>	<b>100,401,238</b>	<b>102,581,900</b>	<b>97,349,900</b>	<b>96,405,400</b>	<b>94,830,600</b>	<b>93,408,400</b>

Source: Lane Community College Budget Office, Banner/CAFR

\*Adjusted for 4<sup>th</sup> quarter payment

## Operating Expenditures

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

Graphic 5: Operating Expenditure Categories, Funds I & IX



### Contracted Salaries & Wages

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

Each contracted employee position is tracked in the college’s position list database system, THOR. Contracted salaries and wages are forecast using this database system, which calculates position by position salary forecasts based upon level, step, vacancy status, FTE assignment, and salary schedule/cost of living adjustments. Staff also apply a “Swirl” factor to contracted personnel forecasts, which is the savings realized through contracted personnel attrition and hiring that occurs after the base projection position list is developed. This swirl factor is analyzed annually and averages 2.5% to 3.0%.

### Part-Time Salaries & Wages

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

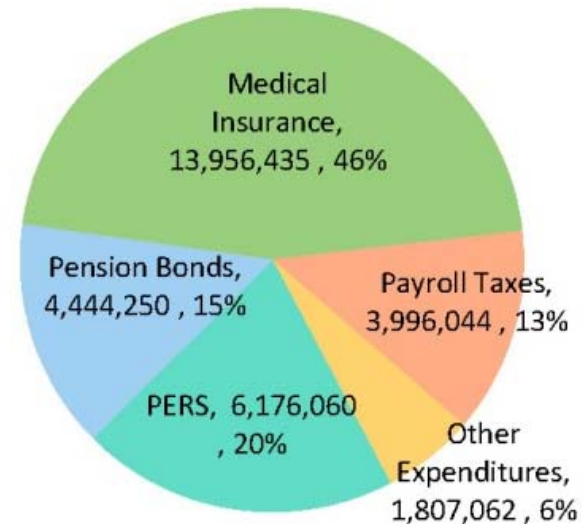
**Other Payroll Expenses (OPE)**

This category includes all personnel-related expenditures outside of salaries and wages to include medical insurance, pension obligation bonds, unemployment insurance, employee assistance and wellness programs, workers compensation, one-time payments and stipends, Medicare and social security payroll taxes, and Oregon Public Employees Retirement System (PERS) contributions. A breakdown of OPE expenditures is shown in Table 3 and Chart 1 below.

Table 3: Fiscal Year 2016 Actual OPE Expenditures  
All College Funds

Category	Amount	% Total
Medical insurance	\$ 13,956,453	45.9%
PERS	6,176,060	20.3%
Pension obligation bond payments	4,444,250	14.6%
FICA (social security & Medicare)	3,996,044	13.2%
Early retirement actuarial expense	155,653	0.5%
Employee assistance program	36,843	0.1%
Employee tuition waiver program	470,523	1.5%
Employee wellness program	142,847	0.5%
Classified benefit stipend	126,800	0.4%
Other miscellaneous expenses	581,931	1.9%
Unemployment insurance	145,940	0.5%
Workers compensation	146,525	0.5%
<b>Total All</b>	<b>\$ 30,379,869</b>	<b>100.0%</b>

Chart 1: Fiscal Year 2016 Actual OPE Expenditures



The college allocates OPE by applying a blended rate to 1) contracted salaries and wages, 2) part-time faculty, classified staff, and managers, and 3) a flat 10% rate to student workers. Contracted and part-time rates are calculated by estimating total salary and wage bases, updating and applying payroll tax and PERS rates, then updating and allocating other costs. A history of OPE rates is presented in Table 4.

Table 4: 15-Year OPE Rate History

Fiscal Year	03	04	05	06	07	08	09	10	11	12	13	14	15	16	17
Contracted Rate (%)	46.7	49.9	53	53.8	51.5	55.8	50.4	55.5	55.5	59	63	65	64	64	64
Part-Time Rate (%)	27	32.3	39.6	40.2	31.1	34.5	30.3	31.2	31.2	35	36	37	38	38	38
Student Rate (%)	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10

The college was been able to stem OPE rate escalation in recent years due to containment of medical insurance costs through plan design and choice, and mitigation of PERS rate increases through pension bond investment and PERS reserve funds.

#### Direct OPE Rate

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

#### **Materials & Services**

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

#### **Capital Outlay**

Capital outlay encompasses land, buildings, improvements, machinery and equipment with a depreciable value of \$10,000 or more. It also includes library books with depreciable useful life exceeding two years.

A standard annual allocation of \$700,000 is provided from the general fund to prioritized departmental capital needs through the department planning process.

#### **Goods for Resale**

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

#### **Operating Transfers Out**

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

Table 5: Summary of Expenditure Categories, Data Sources and Key Forecasting Variables/Assumptions

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



Table 6: History of Expenditures, Funds I &amp; IX

Category	FY2007	FY2008	FY2009	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016
<b>Personnel</b>										
Contracted Salaries & Wages	31,916,200	31,017,900	31,505,800	32,139,500	33,962,200	35,414,900	36,142,700	37,152,900	36,913,200	35,014,800
Part-Time Salaries & Wages	8,679,800	8,769,600	11,077,100	14,320,500	16,400,000	17,790,500	17,775,400	16,082,100	12,623,100	12,873,800
Other Payroll Expenses (OPE)	17,941,600	18,020,600	19,277,600	19,144,000	21,739,000	26,712,300	28,637,300	27,609,900	26,823,700	26,862,600
	<b>58,537,500</b>	<b>57,808,100</b>	<b>61,860,100</b>	<b>65,604,000</b>	<b>72,101,200</b>	<b>79,917,700</b>	<b>82,555,400</b>	<b>80,844,900</b>	<b>76,360,000</b>	<b>74,751,300</b>
as % Total	78.5%	77.0%	74.2%	74.1%	78.3%	76.3%	80.2%	81.1%	82.5%	80.4%
<b>Other Expenditures</b>										
Materials & Services	10,640,700	11,039,100	13,036,300	13,952,400	13,982,300	13,465,900	15,007,200	13,902,000	12,007,200	12,305,700
Capital Outlay	516,300	824,400	647,600	610,100	767,500	639,900	398,000	320,200	304,300	557,100
Goods for Resale	601,900	934,100	614,900	1,193,600	1,081,700	1,049,400	1,006,200	994,200	773,100	715,900
	<b>11,758,900</b>	<b>12,497,500</b>	<b>14,298,800</b>	<b>15,756,100</b>	<b>15,831,500</b>	<b>15,155,200</b>	<b>16,411,400</b>	<b>15,216,400</b>	<b>13,084,600</b>	<b>13,578,700</b>
as % Total	15.8%	16.6%	17.2%	17.8%	17.2%	14.5%	15.9%	15.3%	14.1%	14.6%
<b>Transfers Out</b>										
Operating Transfers Out	<b>4,282,800</b>	<b>4,799,300</b>	<b>7,194,600</b>	<b>7,195,200</b>	<b>4,106,700</b>	<b>9,619,400</b>	<b>3,959,100</b>	<b>3,679,000</b>	<b>3,060,900</b>	<b>4,598,800</b>
as % Total	5.7%	6.4%	8.6%	8.1%	4.5%	9.2%	3.8%	3.7%	3.3%	4.9%
<b>Total All</b>	<b>74,579,300</b>	<b>75,104,900</b>	<b>83,354,000</b>	<b>88,555,400</b>	<b>92,039,400</b>	<b>104,692,300</b>	<b>102,925,900</b>	<b>99,740,400</b>	<b>92,505,500</b>	<b>92,928,800</b>

Source: Lane Community College Budget Office, Banner/CAFR

## Economic Environment

**State Community College Budget.** Community college support funding is set biennially in the State budget adopted by the Legislative Assembly in odd-numbered years (the “Legislatively Adopted Budget”). The State budget covers two fiscal years (a biennium) beginning July 1 of an odd-numbered year to June 30 of the next odd-numbered year and sets funding for State agencies including Community College and Workforce Development (CCWD). The Legislative Assembly has the power to subsequently approve revisions to the Legislatively Adopted Budget. This revised State Budget is termed the “Legislatively Approved Budget”.

The State Constitution requires the Legislative Assembly to balance the State’s General Fund budget. The Department of Administrative Services’ Office of Economic Analysis (the “OEA”) produces a forecast of projected revenues (“Revenue Forecast”) for the biennium, generally in March, June

(May in odd-numbered years), September and December. The OEA also produces a “Close of Session Forecast” after the end of the legislative session in odd years that reflects the May economic forecast adjusted for any changes made by the legislature.

OEA’s forecasts are based upon currently available information and upon a wide variety of assumptions. The actual results will be affected by future national and state economic activity and other events. If OEA’s assumptions are not realized or if other events occur or fail to occur, the State’s financial projections may not be achieved. Copies of the Revenue Forecasts are available from OEA at: [www.oregon.gov/das/OEA](http://www.oregon.gov/das/OEA).

If, over the course of a biennium, the forecasted revenues decline significantly from the Close of Session Forecast, the Legislative Assembly may meet in special session to rebalance the budget, the Governor may direct that expenditures be reduced, or the Legislative Assembly may adjust the budget when it meets in its regular session at the end of the biennium.

**2015-2017 Biennial State Budget.** The budget adopted by the Legislature for the 2015-17 biennium, as adjusted during the 2016 regular session (the “Legislatively Approved Budget”), included \$70.892 billion in total funds, representing a 7.3 percent increase over the 2013-15 biennium’s Legislatively Approved Budget of \$66.047 billion. The Legislatively Approved Budget includes \$18.075 billion in General Funds, \$0.958 billion Lottery Funds, \$22.917 billion Federal funds and \$28.942 billion Other Funds.

**2015-17 Biennium Revenue Forecast.** On February 22, 2017, the OEA released the March 2017 Revenue Forecast. The March 2017 Revenue Forecast for gross General Fund revenues for the 2015-17 biennium was \$18,110,600,000, up \$112.6 million from Close of Session forecast, and up \$102.9 million from December 2016 forecast. Personal income tax continues to reflect Oregon’s strong underlying labor market. Corporate tax collections have posted healthy gains in recent months after falling sharply during most of 2016. The majority of the increases come from personal, corporate, estate and liquor revenues. The lottery sales outlook has also been raised due to a somewhat more robust outlook for personal income and consumer spending.

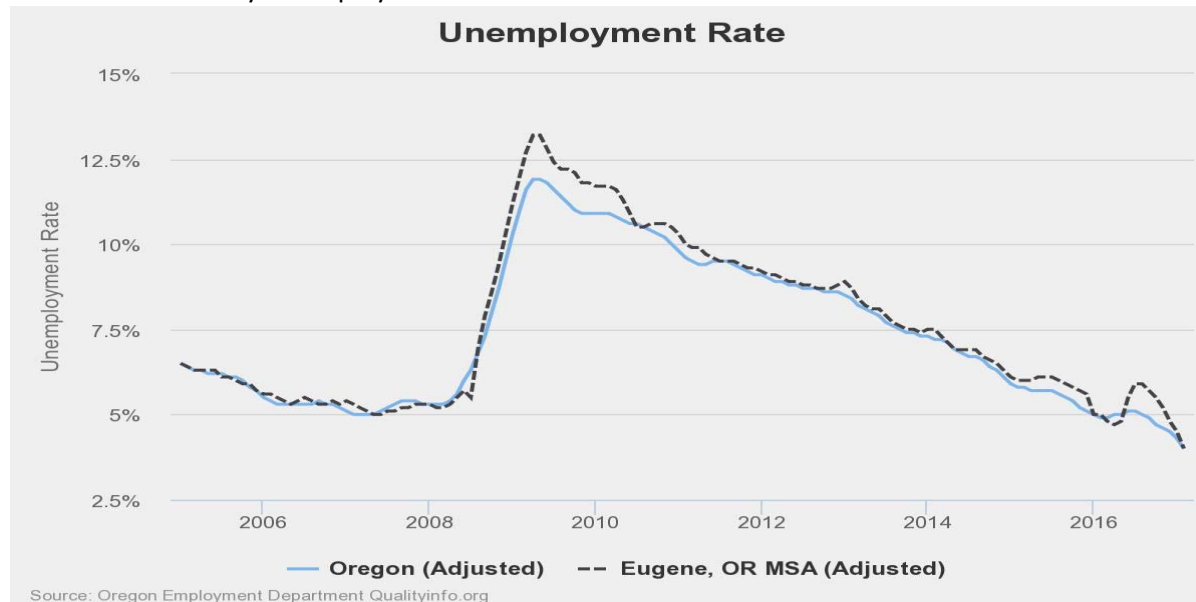
Table 8: State General Fund Forecast Summary (\$ in Millions)

	2015-17 Biennium Revenue Forecast			March 2017 Forecast – Change From	
	Close of Session	December 2016	March 2017	December 2016	Close of Session
<b>Structural Revenues</b>					
Personal Income Tax	\$ 15,713.5	\$ 5,678.4	\$ 15,709.8	\$ 31.4	\$ (3.6)
Corporate Income Tax	1,100.0	1,103.7	1,136.2	32.5	36.2
All Other Revenues	1,184.6	1,225.7	1,264.6	39.0	80.0
<b>Gross General Fund Revenues</b>	<b>17,998.1</b>	<b>18,007.8</b>	<b>18,110.6</b>	<b>102.9</b>	<b>112.6</b>
Beginning Fund Balance	532.9	528.8	528.8	-	(4.1)
Offsets and Transfers	(42.8)	(44.2)	(44.4)	(0.2)	(1.6)
Administrative Actions	(20.2)	(14.1)	(14.1)	-	6.2
Legislative Actions	(158.9)	(158.3)	(158.3)	-	0.6
<b>Net Available Resources</b>	<b>\$ 18,309.1</b>	<b>\$ 18,320.0</b>	<b>\$ 18,422.6</b>	<b>\$ 102.7</b>	<b>\$ 113.6</b>

Source: Oregon Office of Economic Analysis, March 2017

**Employment in Lane County. Eugene Metropolitan Service Area: February 2017.** Lane County’s seasonally adjusted unemployment rate dropped to 4.0 percent in February from 4.5 percent in January. This is the lowest rate since comparable local rates have been produced starting in 1990. In February 2016 the rate was 5.0 percent. Oregon’s seasonally adjusted unemployment rate was 4.0 percent and the national rate was 4.7 percent in February.

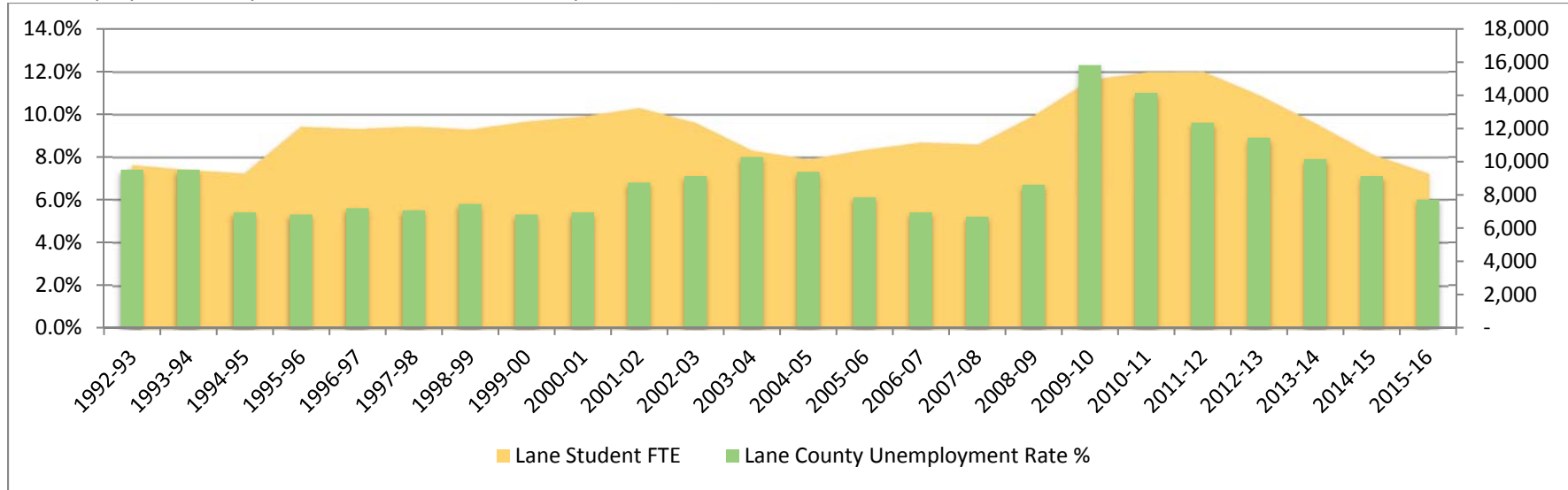
Chart 3: Lane County Unemployment



Source: Oregon Employment Department Qualityinfo.org

Two-year public college enrollment is positively correlated to unemployment, while four-year higher education institution enrollment is inversely related<sup>2</sup>. As shown in Chart 4, unemployment rates have a significant impact on Lane Community College’s enrollment.

Chart 4: Unemployment Comparison to Student Full Time Equivalent (FTE) Enrollment



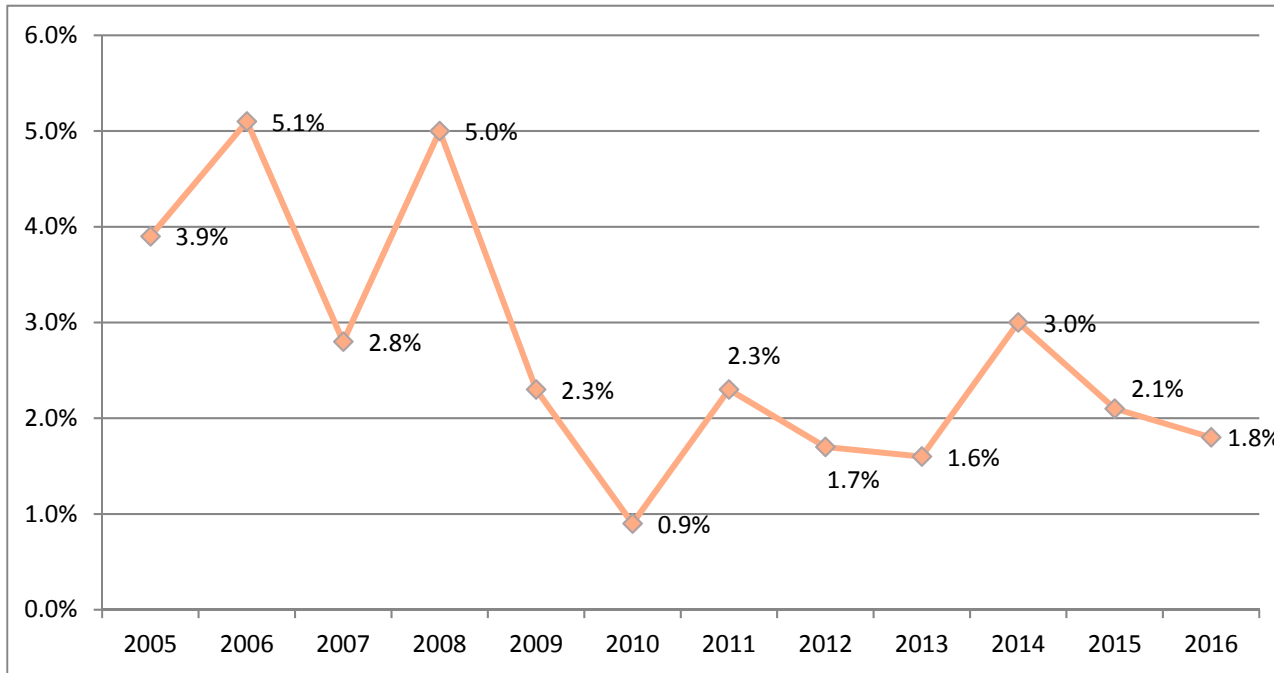
<sup>2</sup> DeLeeuw, J. (2012). Unemployment rate and tuition enrollment predictors. Monroe Community College.

**Higher Education Price Index<sup>3</sup>**. The Commonfund Higher Education Price Index (HEPI) is an inflation index designed specifically to track the main cost drivers in higher education. It is an essential planning tool for educational managers, helping schools to understand the future budget and funding increases required to maintain real purchasing power. HEPI is issued annually by Commonfund Institute and is distributed free of charge to educational institutions.

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

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

Chart 5: Higher Education Price Index, FY2005 to FY2016



<sup>3</sup> [www.commonfund.org/commonfund-institute/higher-education-price-index-hepi/](http://www.commonfund.org/commonfund-institute/higher-education-price-index-hepi/)

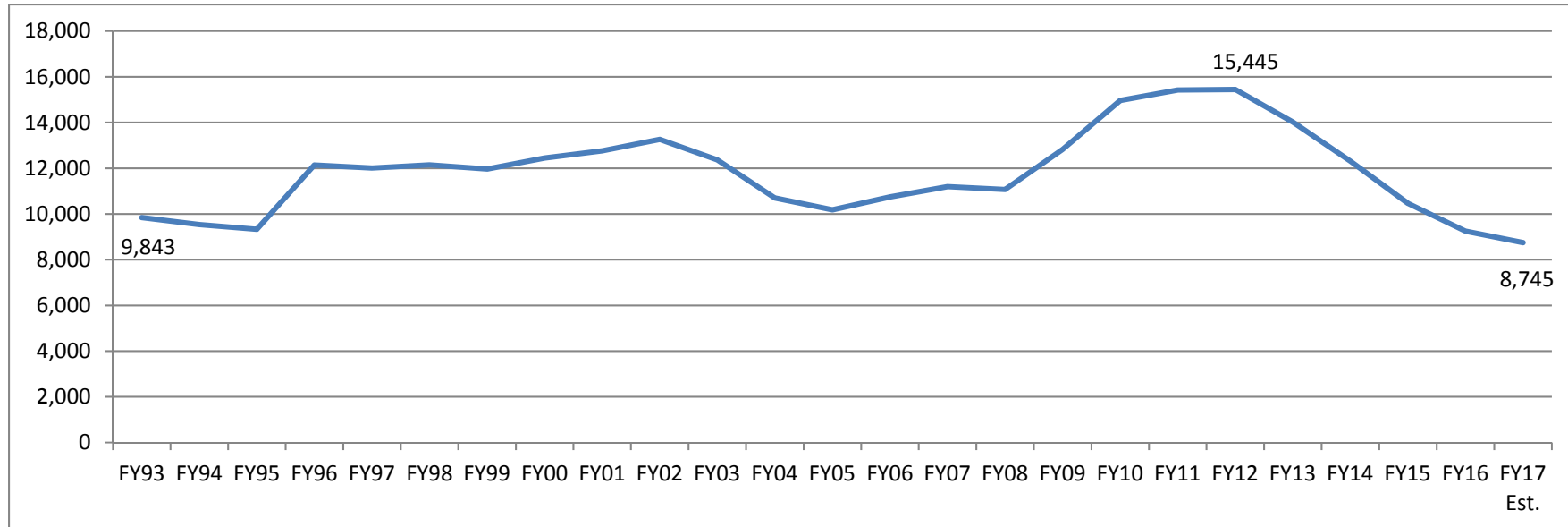
**Public Employees Retirement System (PERS).** Public employers in Oregon are bracing for significant increases to pension costs over the next three biennia due to the Oregon Supreme Court’s rejection of lawmakers’ 2013 pension reforms, low investment returns, and changes in the system’s economic assumptions that have resulted in an unfunded liability of more than \$20 billion. The college 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 in 2010, in anticipation of rate increases. The college plans on using \$860,000 of this \$ 5.536 million fund in the 2018 fiscal year.

**Issues and Opportunities**

**Enrollment**

As shown in Chart 6 below, Lane’s enrollment is projected to fall to a record low 8,745 full-time equivalent (FTE) in FY2017, representing a 43% decline from its peak in FY2012, and 11% lower than the closest comparator year of FY1993.

Chart 6: Lane Community College Student FTE, FY1993 to FY2017 Estimate



Source: Institutional Research, Assessment and Planning

In addition to unemployment drivers, changes in federal financial aid policies, impacts of the K-12 educational system and environment, and increased competition from online and for-profit educational institutions impact enrollment at Lane. The college is working on several efforts to increase recruitment and retention [success] of students, most notably the Strategic Enrollment Management Plan, Student Affairs Transformation, investments in academic technology (online courses and open educational resources), Academic Program Review, and development of a comprehensive Learning Plan. After studying myriad enrollment drivers and trends, the Budget Development Subcommittee of College Council is projecting flat enrollment (no further decline) for the coming 2017-2018 academic year.

Enrollment is critical to the educational mission of the college and is essential to its financial health. The primary revenue streams of state funding and tuition and fees are directly dependent upon enrollment. Tuition and fee income depends on the number of students and their credits and time in class counted in terms of student FTE. State funding from the Community College Support Fund (as well as property tax revenue) is generally distributed in proportion to each college's percentage of the total student FTE throughout community colleges in the State (or in proportion to each college's slice of the FTE pie.)

Lane's portion of FTE has dropped precipitously in the last five years since the enrollment peak in 2011. The bar graph below shows the changes of the shares of state reimbursement and property tax revenue of each of the top eight community colleges from 2011 to 2016. Lane dropped from having the second largest student FTE to the third largest and has lost approximately 25% of its share of the total FTE in the state. Since the total state FTE has also dropped, the absolute decline in student FTE at Lane is more than 25%, a decline of approximately 40%.

### **Tuition**

Research in community colleges broadly and experience at Lane has shown that implementing a single large increase in tuition in one year because tuition has not kept pace with inflation has a significant adverse effect on student enrollment in the next academic year. Accordingly, the college has adopted board policy BP725, which states:

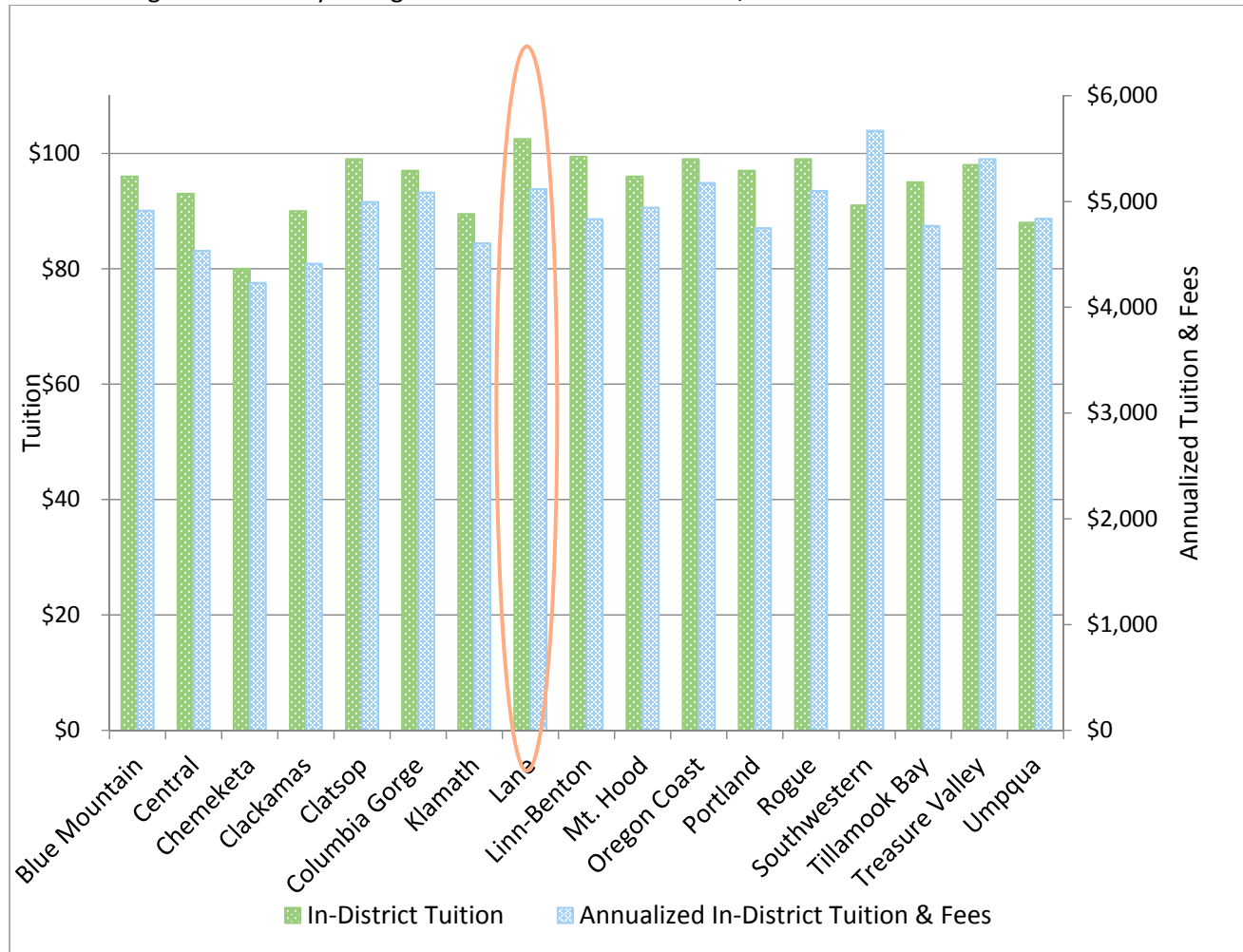
*In order to maintain a constant tuition rate relative to inflation, each November the board will select an appropriate index for two-year public colleges on which to base tuition increase. In December of each year, the board will adjust the per credit tuition rate to reflect changes in the index since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

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



Lane’s tuition and fees are among the highest in the State, as shown in Chart 7 below. With continued disinvestment by the state, exacerbated by enrollment-driven declines in Lane’s share of community college support funds, the college increasingly relies on tuition and fee revenue to support its expenditure base.

Chart 7: Oregon Community Colleges In-District Tuition and Fees, 2016-2017 Academic Year



Source: Oregon Department of Community Colleges and Workforce Development

**Personnel Costs**

Even as enrollment at the college dips to historical lows, personnel costs in operating funds I & IX are \$17.2 million or 30% higher than FY2008, prior to the enrollment surge of FY2009 to FY2013. Staffing to student FTE ratios have increased 30% over that same time period as reflected in Table 9 below.

Table 9: Student and Personnel Trends

FY2008-FY2017 Estimate

	FY2008	FY2009	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016	FY17 Est.
Enrolled Student FTE	11,069	12,817	14,958	15,417	15,375	14,015	12,312	10,466	9,250	8,745
Personnel FTE	787.7	847.8	935.6	1,004.3	1,045.9	1,040.3	992.2	863.1	829.5	814.5
Student/Personnel FTE	14.1	15.1	16.0	15.4	14.7	13.5	12.4	12.1	11.2	10.7
Salary, Wages & OPE	\$ 59,425,188	\$ 61,615,365	\$ 68,752,113	\$ 73,589,894	\$ 80,123,192	\$ 82,905,849	\$ 83,242,937	\$ 78,187,058	\$ 75,414,672	\$ 76,620,172

Funds I & IX. Source: Lane Community College Budget Office

## Major Revenue Forecast, Funds I & IX

*Note: This section flows from the college's new five-year financial forecast model. Assumptions for future years are presented for modeling and discussion purposes only. Finance Council will begin the work of analyzing and establishing assumptions in fall term 2017 as part of implementation of the Long-Range Financial Plan.*

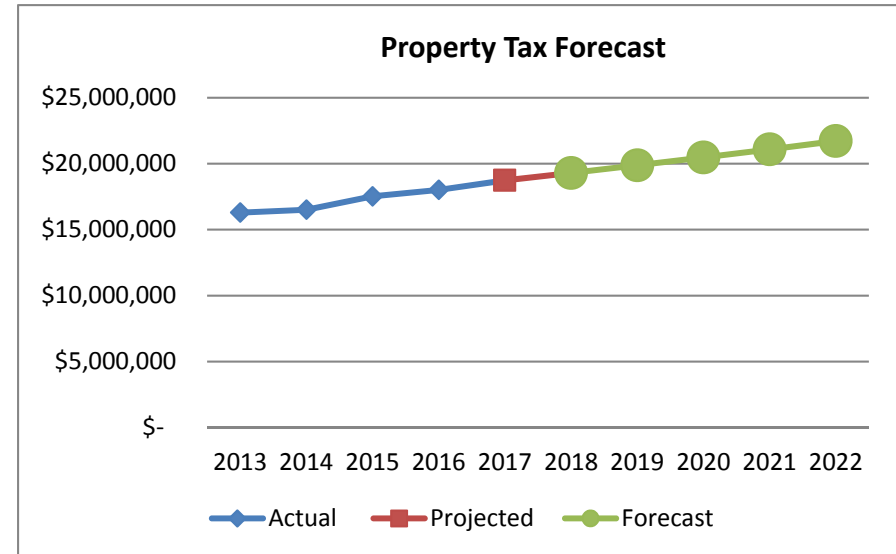
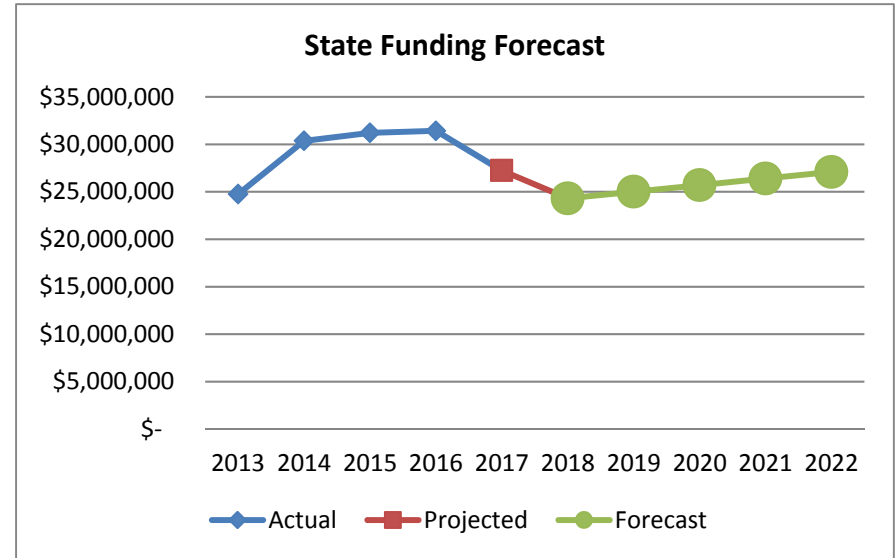
### State Funding

State funding and property taxes comprise over 50% of total operating revenue. The Governor's 2017-2019 biennial budget for community colleges is \$550 million, the same funding level as the 2015-2017 budget. The Oregon Community College Association (OCCA) is lobbying for \$634 million. The college's five year forecast model is conservatively built on the co-chairs budget of \$556 million over 2017-2019. For years 2020 – 2022 the initial forecast assumes no change to the total funding level but a 1/4 percent increase to Lane's allocation in FY2019 to FY2022 based on planned enrollment growth.

Enrollment at Lane has impacted the college more than the State's budget. The State distributes the community college budget based on enrollment and Lane's enrollment decreased more than the other 16 community colleges. At the highest point Lane's share of the State's budget was over 13% but current projections have Lane at less than 9%.

### Property Taxes

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. The average over time is approximately 3% and the model assumes a three percent annual growth rate.

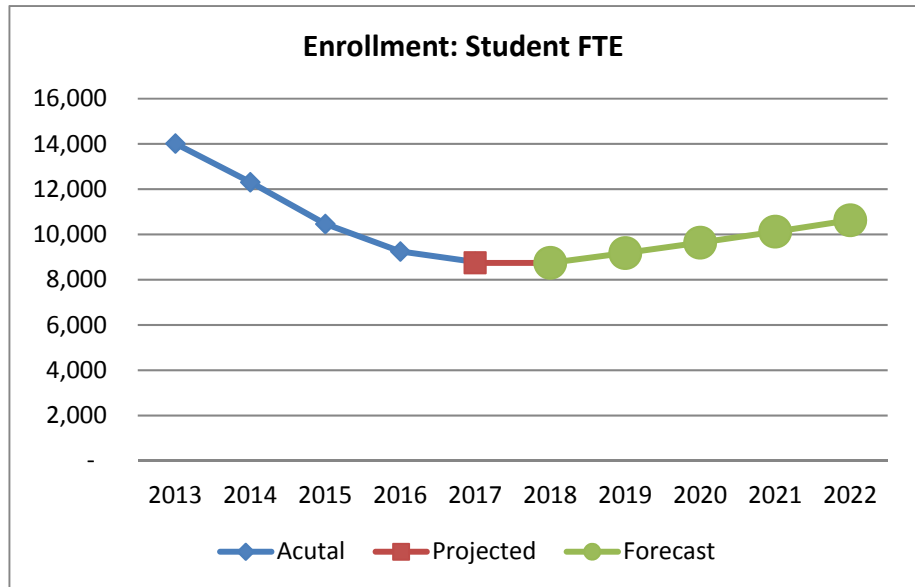
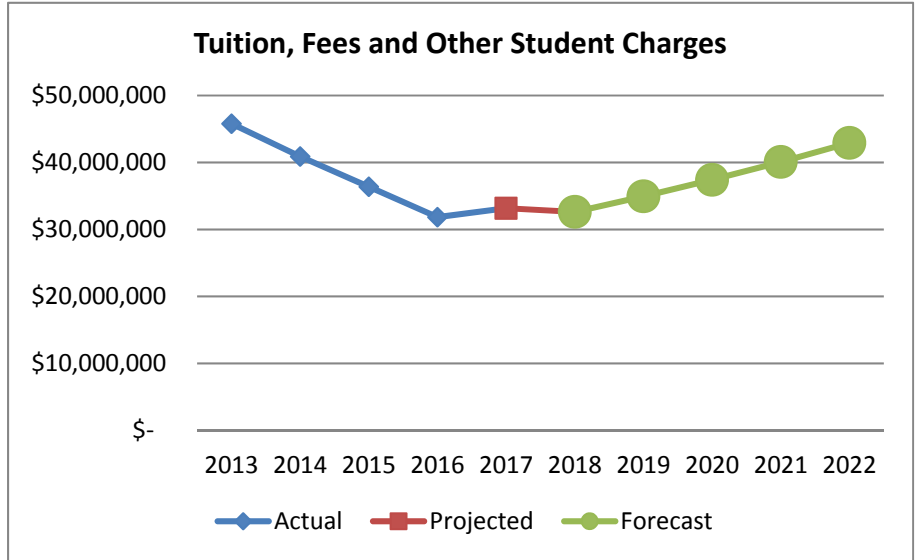


**Tuition, Fees and Other Student Charges**

Student tuition, fees and other student charges make up over 30% of total operating revenue.

For fiscal year 2018 the forecast is for flat growth with a \$2.00 HEPI increase to tuition plus \$5 additional increase. For years 2019-2022 the model assumes a 2% inflationary increase.

For FY2018, the Budget Development Subcommittee of College Council has recommended enrollment flat growth. The model assumes a 5% increase each year for years 2019-2022, consistent with the college's Strategic Enrollment Management plan.



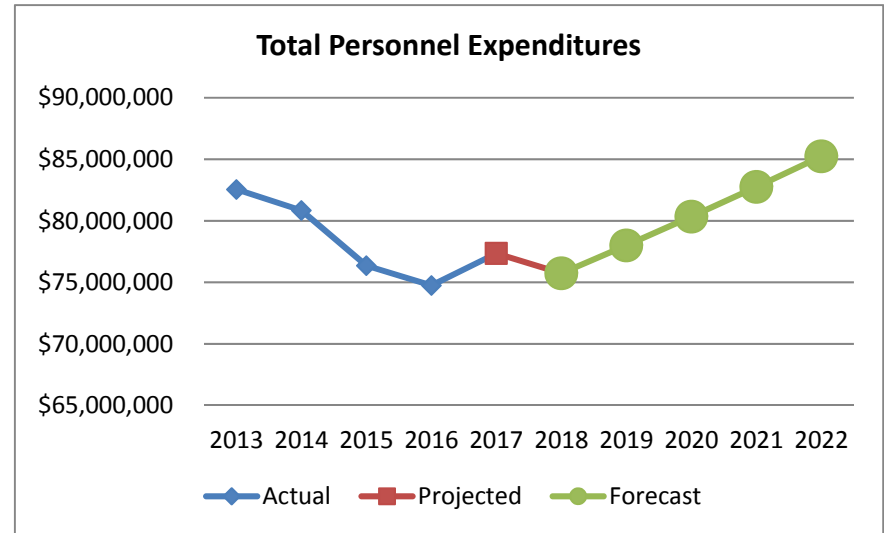
## Major Expenditure Trends

*Note: This section flows from the college's new five-year financial forecast model. Assumptions for future years are presented for modeling and discussion purposes only. Finance Council will begin the work of analyzing and establishing assumptions in fall term 2017 as part of implementation of the Long-Range Financial Plan.*

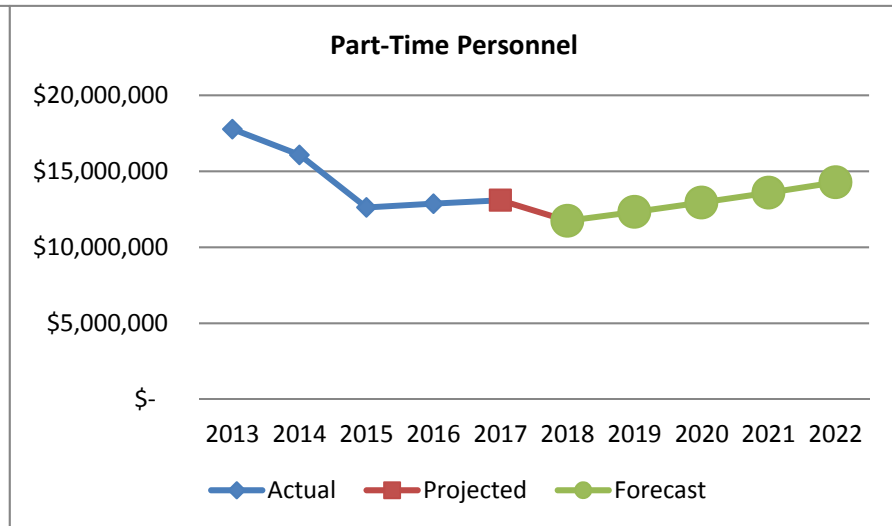
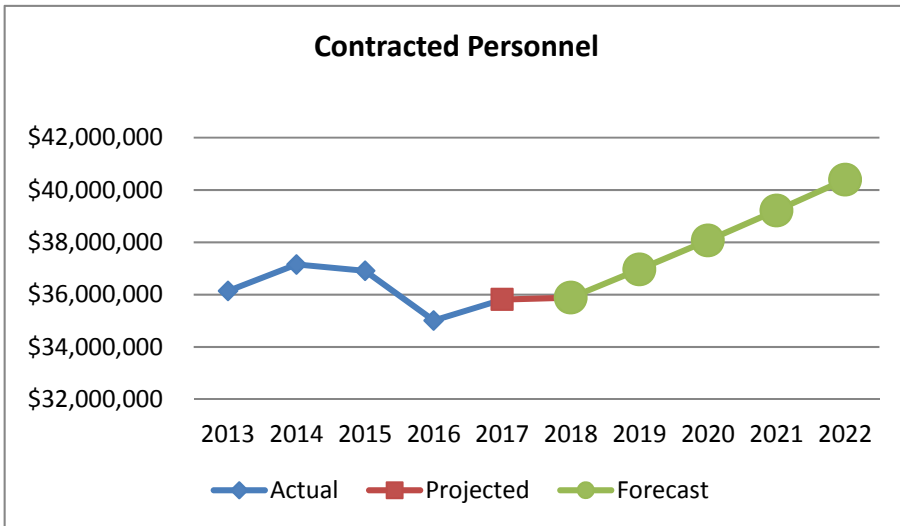
### Personnel Expenditures

Personnel expenditures account for 80% of the operating expenditures of the college. The components are:

- Contracted Employees (>= .5 FTE),
- Part-Time Employees (< .5 FTE) and
- Other Payroll Expenditures (OPE)



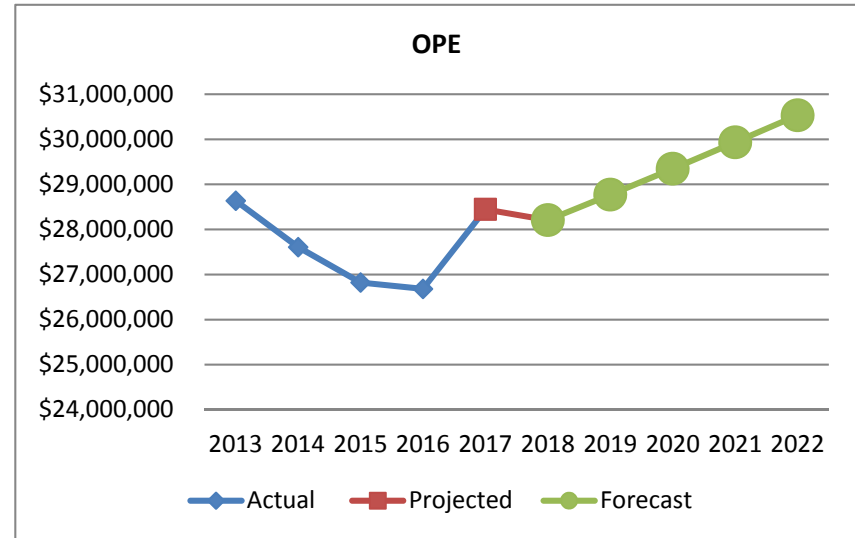
FY2018 is forecast using the proposed budget position list and a bargaining parameter of \$1.951 million for salary and benefit increases. For FY2019-2022 the model assumes a 3% increase in contracted personnel costs and a 5% increase in part-time personnel costs for salary increases and to support enrollment projections.



Other payroll expenditures (OPE) are comprised of:

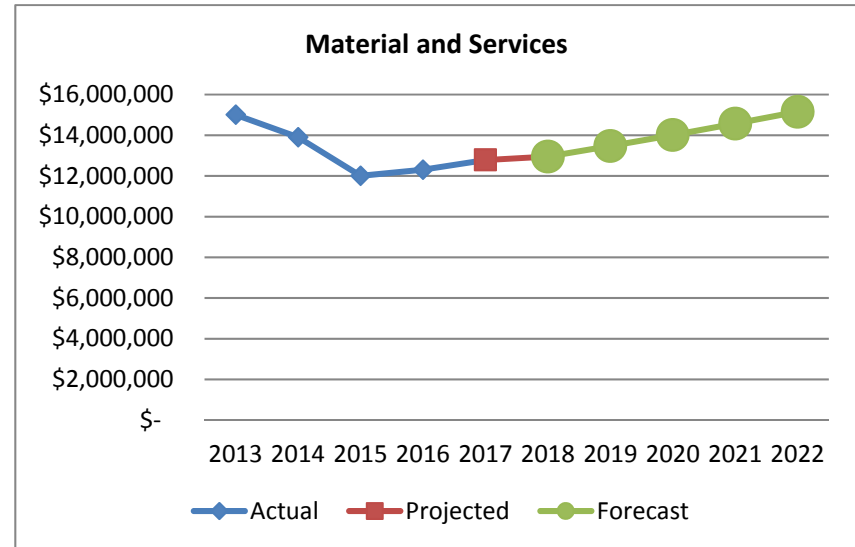
- Medical 46%
- Pension-PERS 20%
- Pension debt service 15%
- Payroll taxes 13%
- Other 6%

OPE rates and expenditures increased 1% in FY2018. For the years 2019-2020 the model assumes continued 1% growth.



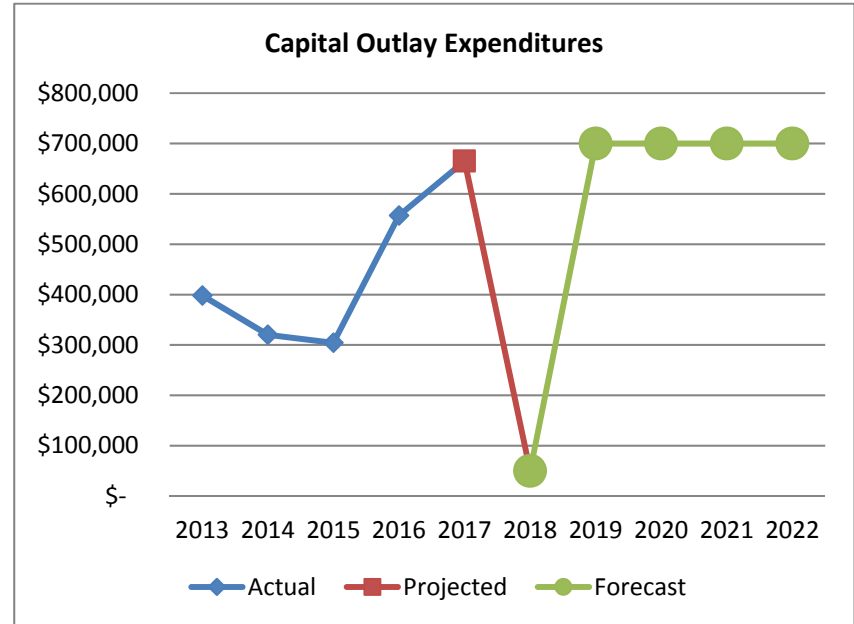
**Material & Services Expenditures**

FY2018 materials and services are based upon the March 2017 planning projection and approved budget balancing measures. For years 2019-2022 the model assumes a 4% annual increase for inflationary factors and to support enrollment growth projections.



**Capital Outlay Expenditures**

\$650,000 of the \$700,000 general fund capital outlay allocation was withheld in FY2018 as part of the approved budget balancing measures. In future years, the model assumes the allocation will be reinstated with annual expenditures of \$700,000.





## Lane Community College Five-Year General Fund Financial Forecast Summary

Note: Assumptions and forecasts for future years are presented for modeling and discussion purposes only.

	FY2016 Actual	FY2017 Estimate	FY2018 Budget	FY2019 Forecast	FY2020 Forecast	FY2021 Forecast	FY2022 Forecast
Beginning Fund Balance	\$ 13,068,100	\$ 12,988,200	\$ 6,809,500	\$ 6,809,500	\$ 7,007,800	\$ 7,775,000	\$ 9,168,100
Recurring Revenues		\$ 80,444,000	\$ 77,288,000	\$ 77,133,200	\$ 80,753,100	\$ 84,118,200	\$ 87,643,000
New Revenues		(3,156,000)	(154,800)	3,619,900	3,365,100	3,524,800	3,695,000
Total Revenues	\$ 80,444,000	\$ 77,288,000	\$ 77,133,200	\$ 80,753,100	\$ 84,118,200	\$ 87,643,000	\$ 91,338,000
Recurring Expenditures		\$ 76,701,700	\$ 80,434,200	\$ 76,853,200	\$ 80,274,800	\$ 83,071,000	\$ 85,969,900
Increase to Expenditures		3,732,500	(3,581,000)	3,421,600	2,796,200	2,898,900	3,005,700
Total Expenditures	\$ 76,701,700	\$ 80,434,200	\$ 76,853,200	\$ 80,274,800	\$ 83,071,000	\$ 85,969,900	\$ 88,975,600
Net Transfers In / (Out)	\$ (3,822,200)	\$ (3,032,500)	\$ (280,000)	\$ (280,000)	\$ (280,000)	\$ (280,000)	\$ (280,000)
<b>Change in Fund Balance</b>	<b>\$ (79,900)</b>	<b>\$ (6,178,700)</b>	<b>\$ -</b>	<b>\$ 198,300</b>	<b>\$ 767,200</b>	<b>\$ 1,393,100</b>	<b>\$ 2,082,400</b>
<b>Ending Fund Balance (EFB)</b>	<b>\$ 12,988,200</b>	<b>\$ 6,809,500</b>	<b>\$ 6,809,500</b>	<b>\$ 7,007,800</b>	<b>\$ 7,775,000</b>	<b>\$ 9,168,100</b>	<b>\$ 11,250,500</b>
% of EFB to Total Expenditures	16.0%	8.1%	8.6%	8.5%	9.1%	10.4%	12.4%
EFB (Short) / Over	\$ 4,882,180	\$ (1,555,170)	\$ (1,067,820)	\$ (1,211,680)	\$ (724,100)	\$ 379,110	\$ 2,160,940

## Key Revenue Assumptions

State Funding	\$556,000,000	\$576,000,000	\$576,000,000	\$576,000,000	\$576,000,000
% Allocation	8.746%	8.746%	8.996%	9.246%	9.496%
Credit Enrollment Growth (Decline)	0.0%	5.0%	5.0%	5.0%	5.0%
Tuition Rate	\$109.50	\$111.69	\$113.92	\$116.20	\$118.53

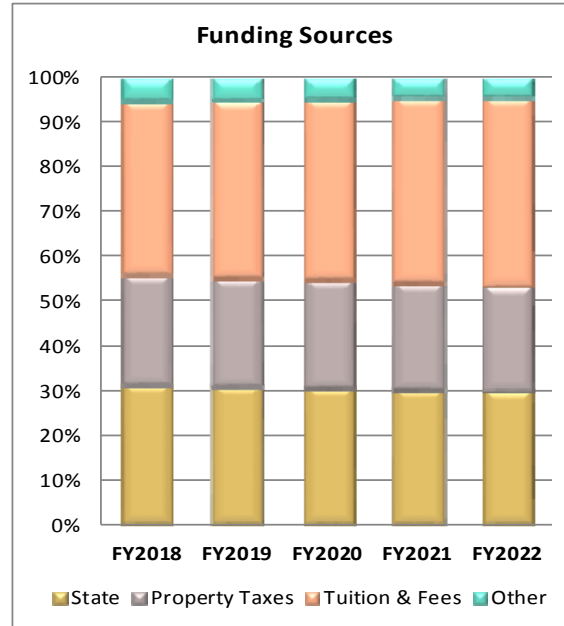
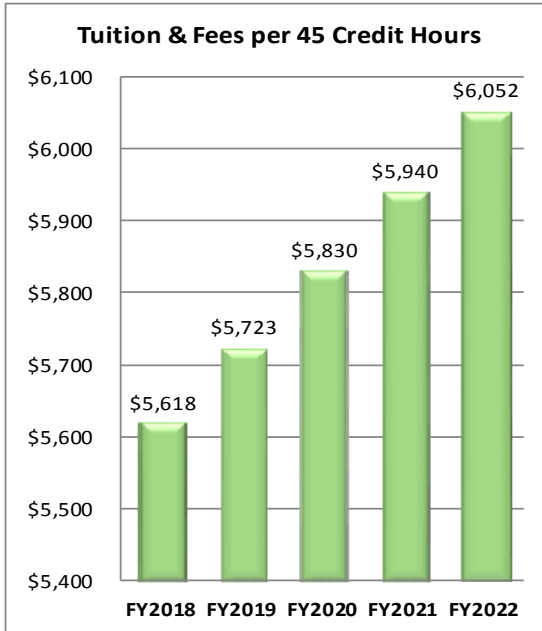
## Key Expenditure Assumptions

Average Contracted Personnel Expenditure Change	4.0%	3.0%	3.0%	3.0%
Average Part-Time Personnel Expenditure Change	5.0%	5.0%	5.0%	5.0%
OPE Rate Change	1.0%	1.0%	1.0%	1.0%
Materials & Services Increase (Decrease)	4.0%	4.0%	4.0%	4.0%

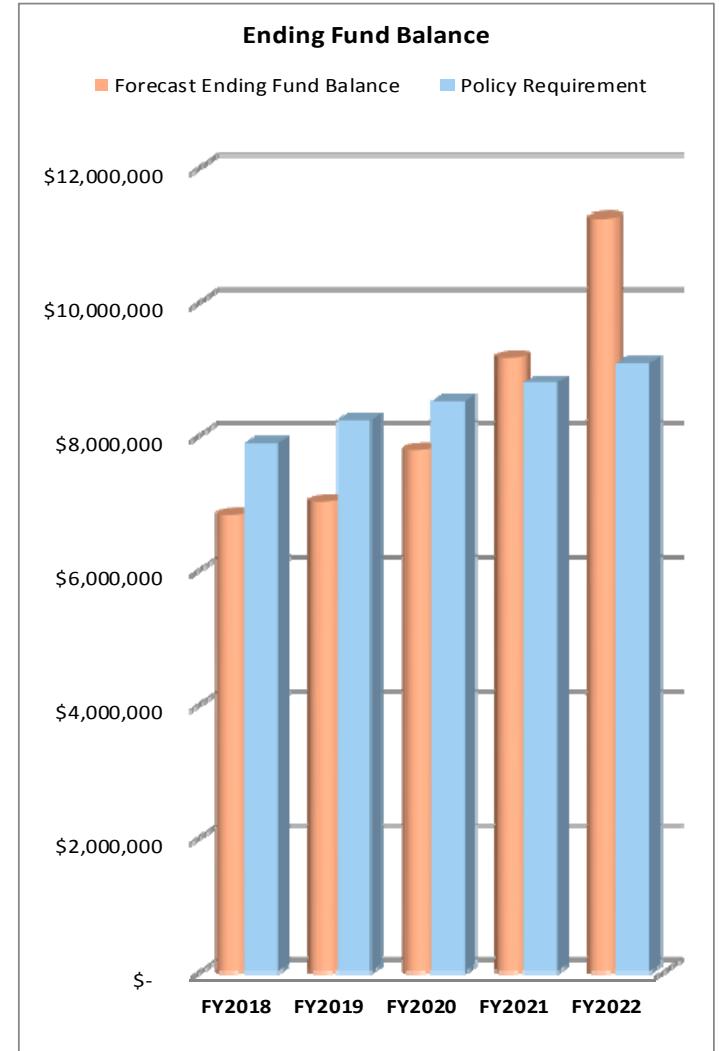
Lane Community College Five-Year General Fund Financial Forecast

Note: Assumptions and forecasts for future years are presented for modeling and discussion purposes only.

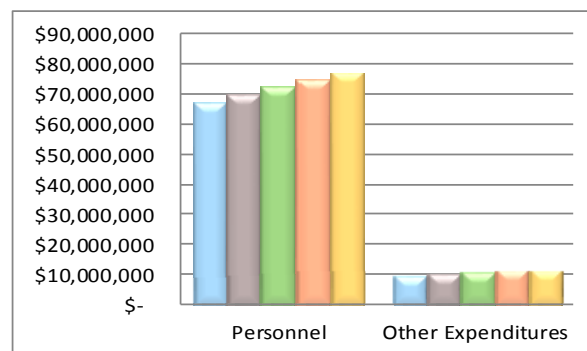
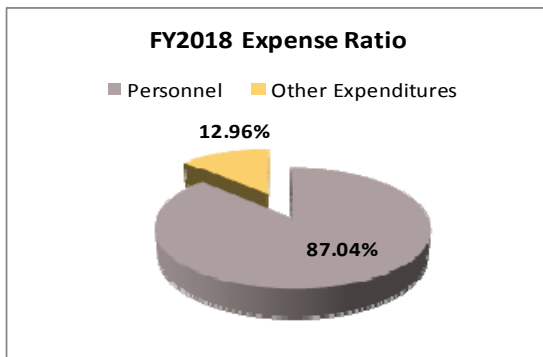
REVENUES



CASH RESERVES



EXPENDITURES



## Fiscal Performance Indicators

The following performance indicators are consistent with Government Finance Officers Association (GFOA) recommended best practices in governmental accounting and Lane Community College board policies, and have been developed in collaboration with other Oregon Community College Budget Officers.

Indicator	Rationale	Current Value*	Objective	Scorecard Threshold(s)
1. Unrestricted General Fund Balance as % Expenditures	Board Policy; ensure sufficient funds for unexpected expenses, investment, and cash flow Board Policy	8.37%	10% of total expenditures and transfers	Orange: <10%
2. General Fund Balance in Excess of Minimum		(\$1.56M)	Consistent with projections; Stable trends. <i>If excess funds, plan for one-time uses, stabilization funds and/or reserves. If negative, plan for restoration within two years.</i>	Orange: Negative Amount Yellow: Declining trend over three year period
3. Change in General Fund Balance		(\$6.18M)		Orange: Rapidly declining trend Yellow: Declining trend over three year period
4. Unrestricted Balance in Other Funds		\$13.1M		Orange: Negative Amount Yellow: Declining trend over three year period
5. Change in Unrestricted Fund Balance		(\$1.21M)		Orange: Rapidly declining trend Yellow: Declining trend over three year period
6. General Fund Operating Surplus (Deficit) as % Resources	Identifies net operating surplus or deficit relative to budget scope	-8.0%		Consistent with projections
7. Change in General Fund Major Revenue Sources -State appropriation -Property Taxes -Tuition & Fees	Declines in major revenue sources reflect the need for additional sources of revenue to maintain stability.	-13.3% -4% 1.2%	Positive trends	Orange: Declining trend over three year period Yellow: Decrease in revenue

\*Estimate for year ending June 30, 2017 unless noted otherwise

**Fiscal Performance Indicators** *(continued)*

Indicator	Rationale	Current Value*	Objective	Scorecard Threshold(s)
8. Change in General Fund Expenditures per Student FTE	Demonstrates the relationship between and responsiveness of operating costs relative to enrollment	9.1%	Stable trends	Orange: Rapidly increasing; in excess of inflation Yellow: Negative trend in excess of inflation
9. Current Ratio (Current Assets/Current Liabilities)	Board Policy; indicates liquidity and ability to pay short- and long-term obligations	(FY2016) 1.65	Between 1 and 3	Orange: <1 or >3
10. Accumulated Depreciation as % of Asset Cost - Buildings and Building Improvements - Equipment	Indication of imminent asset replacement needs	(FY2016) 26% 71%	Less than 70%	Orange: >70% Yellow: >50%
11. Debt Service Paid from Operations as % of General Fund Revenue	Indicates availability of resources for operations and asset replacement	6.3%	15% or lower	Orange: >15% Yellow: >12%
12. Projection Variance - Revenue - Expenditure	Indicates accuracy of budgetary projections used in budget development	(FY2016) 1.3% -1.0%	2% or lower	Orange: >5% Yellow: 2-5%

\*Estimate for year ending June 30, 2017 unless noted otherwise

# Fiscal Indicators Scorecard

Note: Scorecard data for future years is based upon the financial forecast model and example assumptions presented on the preceding pages.

	Type	FY2014	FY2015	FY2016	FY2017 Estimate	FY2018 Budget	FY2019 Forecast	FY2020 Forecast	FY2021 Forecast	FY2022 Forecast
1. Unrestricted General Fund Balance as % Expenditures	reserves	11.7%	16.3%	16.0%	8.1%	8.6%	7.5%	7.1%	7.4%	8.4%
2. General Fund Balance in Excess of Minimum	reserves	1,454,664	5,033,321	4,882,180	(1,555,170)	(1,067,820)	(2,086,280)	(2,498,300)	(2,319,690)	(1,487,460)
3. Change in General Fund Balance	reserves	(1,307,667)	2,964,228	(79,904)	(6,178,700)	-	(676,300)	(132,400)	468,500	1,132,800
4. Unrestricted Balance in Other Funds	reserves	16,841,033	15,321,005	15,164,493	13,955,900	13,095,900				
5. Change in Unrestricted Fund Balance	reserves	(842,846)	(1,520,028)	(156,512)	(1,208,593)	(860,000)				
6. General Fund Operating Surplus (Deficit) as % Resources	operations	5.6%	-0.8%	-0.1%	-8.0%	0.0%	-0.8%	-0.2%	0.5%	1.2%
7. Change in General Fund Major Revenue Sources	operations									
State Appropriation		23.6%	2.8%	0.7%	-13.3%	-10.7%	0.0%	2.9%	2.8%	2.7%
Property Taxes		1.4%	6.1%	2.7%	4.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Tuition & Fees		-10.7%	-11.1%	-14.2%	1.2%	7.2%	7.3%	6.4%	6.5%	6.5%
8. Change in General Fund Expenditures per Student FTE	operations	9.2%	9.3%	14.1%	9.1%	-5.8%	-0.6%	-1.5%	-1.5%	-1.5%
9. Current Ratio	liquidity	2.48	1.63	1.65						
10. Accumulated Depreciation as % of Asset Cost	assets									
Buildings & Building Improvements		25%	25%	26%						
Equipment		66%	71%	71%						
11. Debt Service Paid from Operations as % of General Fund Revenue	debt	4.6%	5.4%	5.8%	6.3%	6.8%	6.9%	7.0%	7.1%	7.1%
12. Projection Variance	operations									
Revenue		-1.2%	0.2%	1.3%						
Expenditures		-0.9%	0.1%	-1.0%						

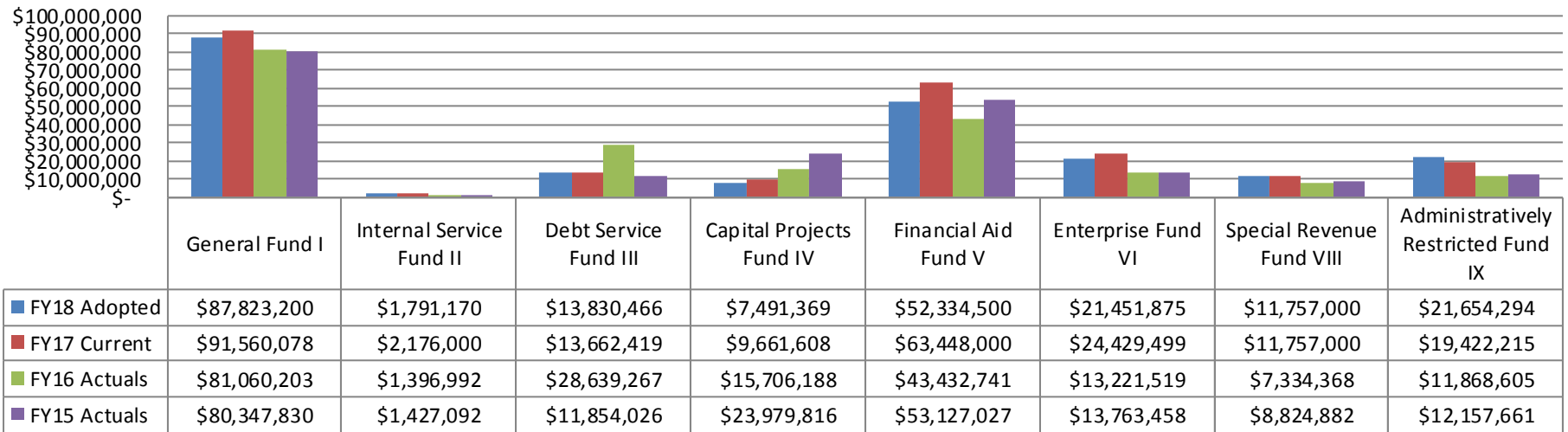


# **Annual Planning**

### Summary - All Funds

FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 BUDGET	Fund	FY 2017-18 PROPOSED	FY 2017-18 APPROVED	FY 2017-18 ADOPTED
80,347,830	81,060,203	91,560,078	General Fund I	87,703,200	87,823,200	<b>87,823,200</b>
1,427,092	1,396,992	2,176,000	Internal Service Fund II	1,791,170	1,791,170	<b>1,791,170</b>
11,854,026	28,639,267	13,662,419	Debt Service Fund III	13,830,466	13,830,466	<b>13,830,466</b>
23,979,816	15,706,188	9,661,608	Capital Projects Fund IV	7,491,369	7,491,369	<b>7,491,369</b>
53,127,027	43,432,741	63,448,000	Financial Aid Fund V	52,334,500	52,334,500	<b>52,334,500</b>
13,763,458	13,221,519	24,429,499	Enterprise Fund VI	21,451,875	21,451,875	<b>21,451,875</b>
8,824,882	7,334,368	11,757,000	Special Revenue Fund VIII	11,757,000	11,757,000	<b>11,757,000</b>
12,157,661	11,868,605	19,422,215	Administratively Restricted Fund IX	21,774,294	21,654,294	<b>21,654,294</b>
205,481,793	202,659,884	236,116,819	Total All Funds	218,133,874	218,133,874	<b>218,133,874</b>

Summary All Funds  
FY2015 - FY2018

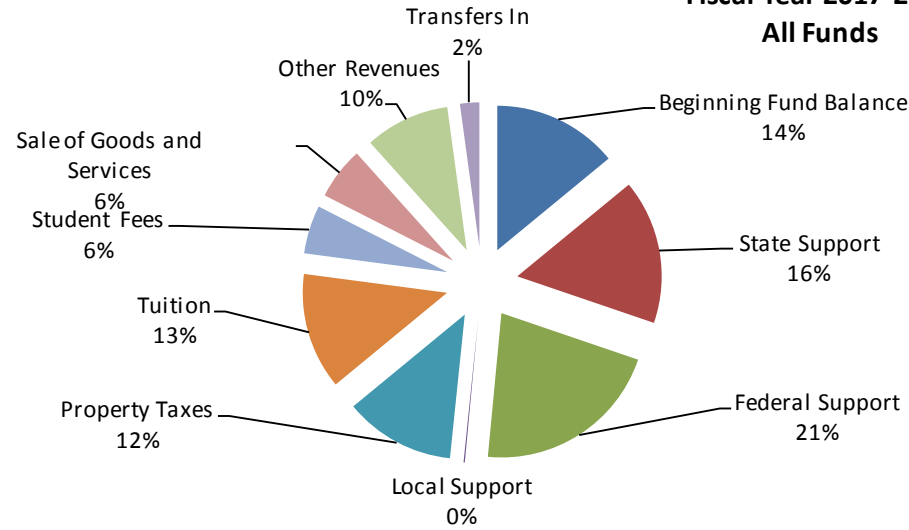


**Consolidated Resources and Requirements – All Funds**

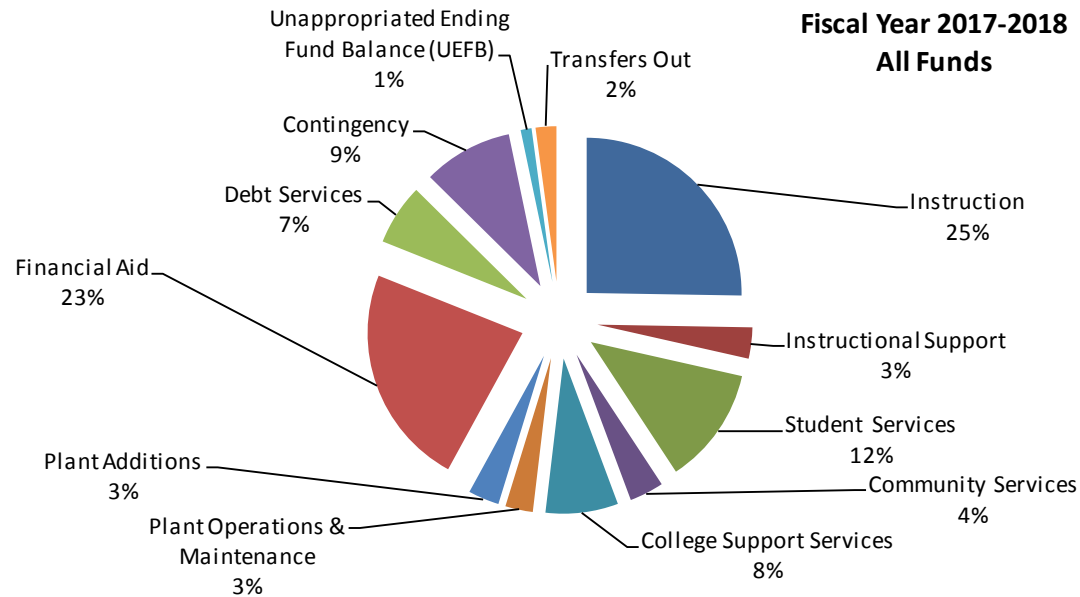
FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 BUDGET	Description of Resources and Requirements	FY 2017-18 PROPOSED	FY 2017-18 APPROVED	FY 2017-18 ADOPTED
<b>REVENUES</b>						
36,959,123	44,313,357	35,742,000	State Support	35,299,976	35,299,976	<b>35,299,976</b>
51,830,693	40,900,112	61,770,000	Federal Support	46,395,000	46,395,000	<b>46,395,000</b>
224,208	293,720	300,000	Local Support	300,000	300,000	<b>300,000</b>
24,510,201	24,001,636	25,811,075	Property Taxes	27,072,700	27,072,700	<b>27,072,700</b>
Tuition & Fees:						
30,021,227	26,384,298	27,822,900	Tuition	28,458,000	28,458,000	<b>28,458,000</b>
8,256,563	7,236,846	11,019,434	Student Fees	11,707,260	11,807,260	<b>11,807,260</b>
Other Sources:						
10,056,876	9,581,468	14,222,826	Sale of Goods and Services	12,864,962	12,764,962	<b>12,764,962</b>
-	16,234,521	-	Bond Refinancing Proceeds	-	-	-
19,734,915	19,974,730	19,228,898	Other Revenues	20,705,683	20,705,683	<b>20,705,683</b>
<b>181,593,808</b>	<b>188,920,688</b>	<b>195,917,133</b>	<b>TOTAL REVENUES</b>	<b>182,803,581</b>	<b>182,803,581</b>	<b>182,803,581</b>
<b>REQUIREMENTS</b>						
54,101,915	50,659,786	57,410,899	Instruction	54,759,112	55,121,954	<b>55,121,954</b>
6,299,428	5,822,454	6,643,677	Instructional Support	7,103,578	7,084,426	<b>7,084,426</b>
24,599,743	24,326,481	28,616,139	Student Services	26,728,603	26,650,988	<b>26,650,988</b>
6,673,875	6,165,170	7,783,880	Community Services	7,788,440	7,788,440	<b>7,788,440</b>
14,638,924	16,020,436	17,586,915	College Support Services	16,797,158	16,531,083	<b>16,531,083</b>
5,965,721	6,251,757	6,234,818	Plant Operations & Maintenance	6,240,709	6,240,709	<b>6,240,709</b>
23,977,266	15,673,586	9,661,608	Plant Additions	7,051,369	7,051,369	<b>7,051,369</b>
53,077,027	43,207,362	63,190,500	Financial Aid	50,315,500	50,315,500	<b>50,315,500</b>
11,854,026	28,639,267	13,662,419	Debt Services	13,830,466	13,830,466	<b>13,830,466</b>
-	-	18,134,483	Contingency	20,356,330	20,356,330	<b>20,356,330</b>
-	-	2,532,524	Unappropriated Ending Fund Balance (UEFB)	2,465,800	2,465,800	<b>2,465,800</b>
<b>201,187,926</b>	<b>196,766,300</b>	<b>231,457,862</b>	<b>TOTAL REQUIREMENTS</b>	<b>213,437,065</b>	<b>213,437,065</b>	<b>213,437,065</b>
<b>SUMMARY</b>						
181,593,808	188,920,688	195,917,133	Total Revenues	182,803,581	182,803,581	<b>182,803,581</b>
<u>(201,187,926)</u>	<u>(196,766,300)</u>	<u>(231,457,862)</u>	Less: Total Requirements	<u>(213,437,065)</u>	<u>(213,437,065)</u>	<u><b>(213,437,065)</b></u>
(19,594,118)	(7,845,611)	(35,540,729)	<b>REVENUES OVER-(UNDER) REQUIREMENTS</b>	(30,633,484)	(30,633,484)	<b>(30,633,484)</b>
<b>OTHER FINANCING SOURCES</b>						
4,293,867	5,893,584	4,658,957	Transfers In	4,696,809	4,696,809	<b>4,696,809</b>
<u>(4,293,867)</u>	<u>(5,893,584)</u>	<u>(4,658,957)</u>	Transfers Out	<u>(4,696,809)</u>	<u>(4,696,809)</u>	<u><b>(4,696,809)</b></u>
-	-	-	<b>TOTAL OTHER FINANCING SOURCES</b>	-	-	-
<b>CHANGES IN FUND BALANCE</b>						
63,476,755	43,882,313	35,540,729	Beginning Fund Balance	30,633,484	30,633,484	30,633,484
<b>43,882,637</b>	<b>36,036,702</b>	<b>-</b>	<b>ENDING FUND BALANCE</b>	<b>-</b>	<b>-</b>	<b>-</b>



**CONSOLIDATED RESOURCES**  
**Fiscal Year 2017-2018**  
**All Funds**



**CONSOLIDATED REQUIREMENTS**  
**Fiscal Year 2017-2018**  
**All Funds**



Lane Community College FY2018 Budget and Fund Structure							
Fund I General Fund \$87,823,200	Fund IX Special Revenue Admin Restricted \$21,654,294	Fund II Internal Service Fund \$1,791,170	Fund III Debt Service Fund \$13,830,466	Fund IV Capital Projects Fund \$7,491,369	Fund V Financial Aid Fund \$50,048,000	Fund VI Enterprise Fund \$21,451,875	Fund VIII Special Revenue Fund \$11,757,000
Transfers: \$1,597,551	Transfers: \$1,276,108	Transfers: \$50,000		Transfers: \$440,000	Transfers: \$50,000	Transfers: \$1,279,150	Transfers: \$4,000
Instruction \$43,961,220	Instruction \$6,120,190	<b>College Support Services</b> <u>\$1,791,170</u> <i>Employee Wellness</i> \$69,500 <i>Motor Pool</i> \$30,000 <i>Printing &amp; Graphics &amp; Warehouse</i> \$995,000 <i>Telephone Services</i> \$245,000	<b>Debt Service</b> <u>\$13,830,466</u> <i>College Finance</i> \$8,926,216 <i>Non- Departmental</i> \$4,904,250	Capital Projects \$7,051,369	Financial Aid \$50,315,500	Instruction \$129,244	Instruction \$4,911,300
Instructional Support \$6,287,288	Instructional Support \$742,638			Contingency \$0	Contingency \$1,969,000	<b>Student Services</b> <u>\$13,693,415</u> <i>Conference &amp; Culinary</i> \$1,441,374 <i>Foodservices</i> \$1,229,360 <i>Housing Program</i> \$1,443,850 <i>International Student Program</i> \$3,578,831 <i>Titan Store</i> \$6,000,000	Instructional Support \$54,500
Student Services \$9,226,057	Student Services \$2,708,116						Student Services \$1,023,400
College Support Services \$14,159,754	Community Services (KLCC) \$2,079,140						Community Services \$5,079,300
Plant Operation & Maintenance FM&P \$6,240,709	College Support Services \$977,329						
				Contingency \$401,670			Contingency \$6,350,066
Contingency \$3,884,221: UEFB \$2,465,800	Contingency \$7,750,773						College Support Services \$54,500

- Instruction
- Instructional Support
- Student Services
- College Support Services
- Community Services
- Plant Operations
- Debt Service
- Capital Projects

## 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	\$	\$ 117,500	Employee Wellness \$67,500; LaneStarter \$50,000
To Debt Service Fund III		141,051	Qualified Energy Conservation Loan
To Capital Projects Fund IV		1,000,000	Major Maintenance
To Special Revenue-Administratively Restricted Fund IX		339,000	Child Development Center \$139,000; Flight Technology \$200,000
From Capital Projects Fund IV	440,000		To close LASR fund
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	1,046,000		Fund closures \$186,000 and PERS Reserve \$860,000
TOTAL	\$ 1,540,000	\$ 1,597,551	
<b>INTERNAL SERVICE FUND II</b>			
To Enterprise Fund VI	\$ -	\$ 25,000	LaneStarter
To Special Revenue-Administratively Restricted Fund IX		25,000	LaneStarter
From General Fund I	117,500		Employee Wellness \$67,500; LaneStarter \$50,000
TOTAL	\$ 117,500	\$ 50,000	
<b>DEBT SERVICE FUND III</b>			
From General Fund I	\$ 141,051		Qualified Energy Conservation Loan
From Enterprise Fund VI	1,279,150		Recovery Zone Bonds
From Special Revenue-Administratively Restricted Fund IX	27,315		Debt Service for Flight Technology Loan
TOTAL	\$ 1,447,516	\$ -	

- Continued -

**SCHEDULE OF INTERFUND TRANSFERS**

	<u>Revenues</u>	<u>Expenditures</u>	<u>Remarks</u>
<b>CAPITAL PROJECTS FUND IV</b>			
To General Fund I	\$ -	\$ 440,000	To close LASR fund
From General Fund I	1,000,000	-	Major Maintenance
From Special Revenue-Administratively Restricted Fund IX	202,793		Transportation and Parking \$150,000; Longhouse \$52,793
TOTAL	<u>\$ 1,202,793</u>	<u>\$ 440,000</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	\$ -	\$ 1,279,150	Recovery Zone Bonds
From Internal Service Fund II	25,000	-	LaneStarter
TOTAL	<u>\$ 25,000</u>	<u>\$ 1,279,150</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	\$ -	\$ 1,046,000	Fund closures \$186,000 and PERS Reserve \$860,000
To Debt Service Fund III	-	27,315	Debt Service for Flight Technology Loan
To Capital Projects Fund IV	-	202,793	Transportation and Parking \$150,000; Longhouse \$52,793
From General Fund I	339,000	-	Child Development Center \$139,000; Flight Technology \$200,000
From Internal Service Fund II	25,000	-	LaneStarter
TOTAL	<u>\$ 364,000</u>	<u>\$ 1,276,108</u>	
<b>TOTAL TRANSFERS - ALL FUNDS</b>	<u><b>\$ 4,696,809</b></u>	<u><b>\$ 4,696,809</b></u>	

**Change in Fund Balance****Budgetary Statement of Resources, Uses and Changes in Fund Balance  
FY 2017-18 Proposed Budget**

	General Fund	Admin Restricted	Capital Projects	Enterprise	Internal Service	Special Revenue	Financial Aid	Debt Service	Total
<b>Revenues:</b>									
Intergovernmental - State	\$ 24,311,400	\$ -	\$ 1,388,576	\$ -	\$ -	\$ 2,700,000	\$ 6,900,000	\$ -	\$ 35,299,976
Intergovernmental - Federal	-	30,000	-	-	-	6,507,000	39,858,000	-	46,395,000
Intergovernmental - Local	-	-	-	-	-	300,000	-	-	300,000
Intergovernmental - Property Taxes	19,796,400	-	-	-	-	-	-	7,276,300	27,072,700
Tuition & Fees	29,755,800	7,048,460	-	3,234,000	-	125,000	-	-	40,163,260
Other Sources:									
Sale of Goods and Services	1,035,000	3,928,091	-	10,768,734	1,225,000	20,000	-	-	16,976,825
Other Revenues	4,455,200	1,631,970	-	385,000	47,000	1,880,000	3,290,000	4,906,650	16,595,820
<b>Total Revenues</b>	<b>79,353,800</b>	<b>12,638,521</b>	<b>1,388,576</b>	<b>14,387,734</b>	<b>1,272,000</b>	<b>11,532,000</b>	<b>50,048,000</b>	<b>12,182,950</b>	<b>182,803,581</b>
<b>Expenditures:</b>									
Instruction	43,598,378	6,120,190	-	129,244	-	4,911,300	-	-	54,759,112
Instructional Support	6,186,440	862,638	-	-	-	54,500	-	-	7,103,578
Student Services	9,303,672	2,708,116	-	13,693,415	-	1,023,400	-	-	26,728,603
Community Services	-	2,079,140	-	-	-	5,709,300	-	-	7,788,440
College Support Services	14,425,829	977,329	-	-	1,339,500	54,500	-	-	16,797,158
Plant Operations & Maintenance	6,240,709	-	-	-	-	-	-	-	6,240,709
Plant Additions	-	-	7,051,369	-	-	-	-	-	7,051,369
Financial Aid	-	-	-	-	-	-	50,315,500	-	50,315,500
Debt Services	-	-	-	-	-	-	-	13,830,466	13,830,466
<b>Total Expenditures</b>	<b>79,755,028</b>	<b>12,747,413</b>	<b>7,051,369</b>	<b>13,822,659</b>	<b>1,339,500</b>	<b>11,753,000</b>	<b>50,315,500</b>	<b>13,830,466</b>	<b>190,614,935</b>
<b>Revenues Over-(Under) Expenditures</b>	<b>(401,228)</b>	<b>(108,892)</b>	<b>(5,662,793)</b>	<b>565,075</b>	<b>(67,500)</b>	<b>(221,000)</b>	<b>(267,500)</b>	<b>(1,647,516)</b>	<b>(7,811,354)</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									-
Reserve for PERS changes		-							-
Reserve for restricted carry over/adjustment	800,000								800,000
International Stabilization Reserve				-					-
Operating contingency	2,034,821	7,750,773		6,350,066	401,670		1,969,000		18,506,330
<b>Total Contingency</b>	<b>3,884,821</b>	<b>7,750,773</b>	<b>-</b>	<b>6,350,066</b>	<b>401,670</b>	<b>-</b>	<b>1,969,000</b>	<b>-</b>	<b>20,356,330</b>
<b>Other Financing Sources-(Uses)</b>									
Transfers in/(out)	(57,551)	(912,108)	762,793	(1,254,150)	67,500	(4,000)	(50,000)	1,447,516	-
<b>Changes in fund balance</b>	<b>(4,343,600)</b>	<b>(8,771,773)</b>	<b>(4,900,000)</b>	<b>(7,039,141)</b>	<b>(401,670)</b>	<b>(225,000)</b>	<b>(2,286,500)</b>	<b>(200,000)</b>	<b>(28,167,684)</b>
Beginning Fund Balance	6,809,400	8,771,773	4,900,000	7,039,141	401,670	225,000	2,286,500	200,000	30,633,484
<b>Total resources/(uses)</b>	<b>2,465,800</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,465,800</b>
<b>Transfers to/(From) Fund Balance</b>									
* BP295: Unappropriated Ending Fund Balance	(2,465,800)								(2,465,800)
<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.

**2017-18 ESTIMATED BEGINNING AND ENDING FUND BALANCE**

Fund Description	July 1, 2017 Fund Balance	June 30, 2018 Fund Balance	Dollar Change	Percent Change	Explanation of changes in fund balances > 10%
GENERAL FUND I	6,809,400	6,809,400	0	0%	
ADMINISTRATIVELY RESTRICTED FUND IX	8,771,773	7,911,773	(860,000)	-10%	Pension (PERS) reserve is being drawn down \$860,000.
CAPITAL PROJECTS FUND IV	4,900,000	1,372,000	(3,528,000)	-72%	The college is winding down 2008 bond projects of \$83 million.
ENTERPRISE FUND VI	7,039,141	6,450,066	(589,075)	-8%	
INTERNAL SERVICE FUND II	401,670	401,670	0	0%	
SPECIAL REVENUE FUND VIII	225,000	225,000	0	0%	
FINANCIAL AID FUND V	2,286,500	1,969,000	(317,500)	-14%	Enrollment decline.
DEBT SERVICE FUND III	200,000	200,000	0	0%	
	30,633,484	25,338,909	(5,294,575)	-17.3%	



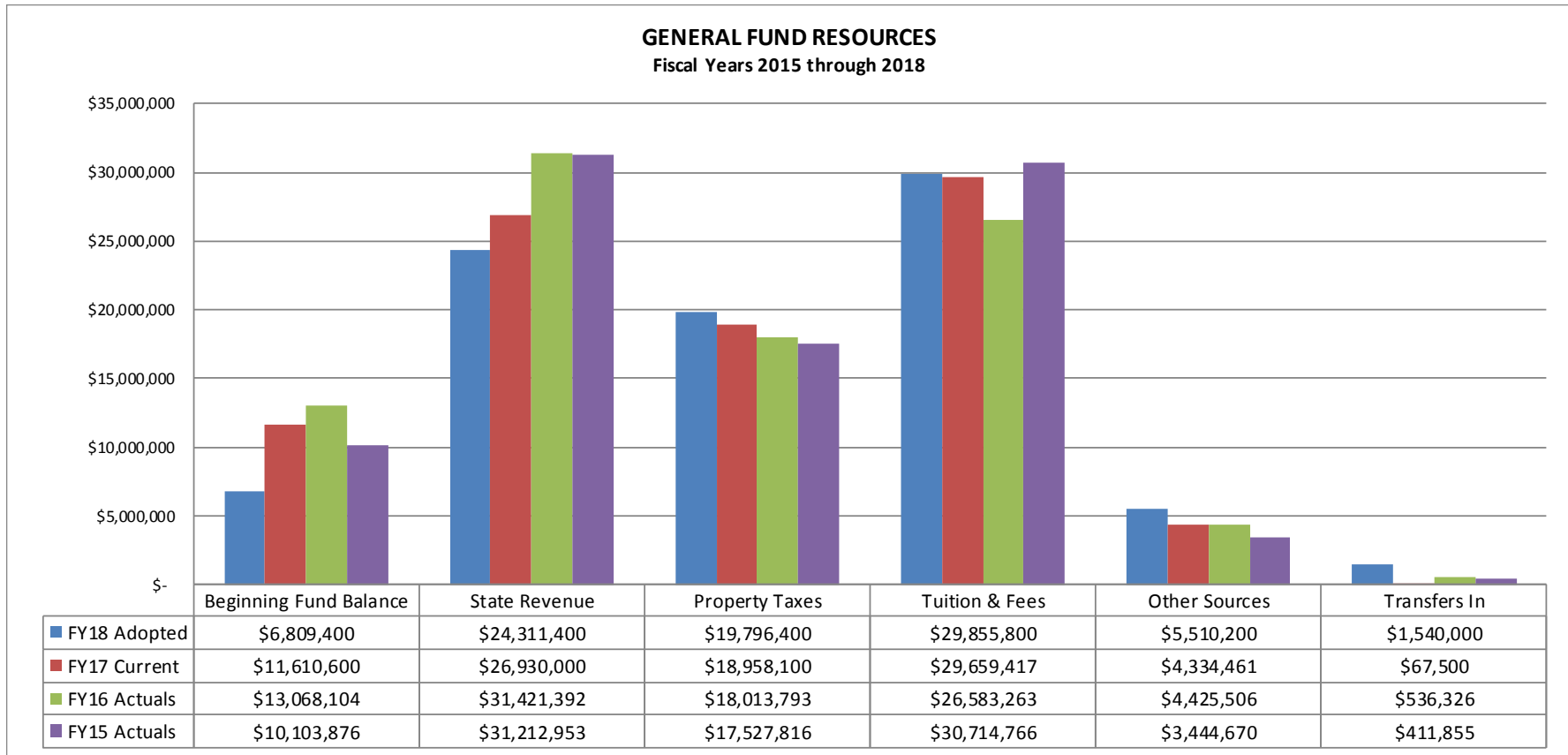
**GENERAL FUND I**

**ADMINISTRATIVELY RESTRICTED FUND IX**



**General Fund I Resources**

FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 BUDGET	Description of Resources and Requirements	FY 2017-18 PROPOSED	FY 2017-18 APPROVED	FY 2017-18 ADOPTED	+ -	Explanation of changes in budget of > 10%
<b>RESOURCES</b>								
10,103,876	13,068,104	11,610,600	Beginning Fund Balance	6,809,400	6,809,400	<b>6,809,400</b>	-	Budgeted at current projection
31,212,953	31,421,392	26,930,000	State Support	24,311,400	24,311,400	<b>24,311,400</b>		
17,527,816	18,013,793	18,958,100	Property Taxes	19,796,400	19,796,400	<b>19,796,400</b>		
Tuition & Fees:								
27,667,587	23,680,374	24,967,900	Tuition	25,453,000	25,453,000	<b>25,453,000</b>		
3,047,179	2,902,889	4,691,517	Student Fees	4,302,800	4,402,800	<b>4,402,800</b>		
Other Sources:								
450,717	799,168	727,300	Sale of Goods and Services	1,035,000	1,035,000	<b>1,035,000</b>	+	Dental clinic growth
1,293,697	1,889,725	1,870,000	Administrative Recovery	1,975,000	1,975,000	<b>1,975,000</b>		
797,008	826,390	108,511	Other Fees & Charges	845,400	865,400	<b>865,400</b>	+	Budget based on actuals
903,248	910,222	1,628,650	Other Revenue	1,634,800	1,634,800	<b>1,634,800</b>		
<u>82,900,205</u>	<u>80,443,955</u>	<u>79,881,978</u>	<b>Total Revenues</b>	<u>79,353,800</u>	<u>79,473,800</u>	<b>79,473,800</b>		
Transfers In:								
2,594	-	3,500	Transfer In Internal Services Fund II	-	-	-	-	Accounting change in budget authority
2,550	9,232	-	Transfer In Capital Projects Fund IV	440,000	440,000	<b>440,000</b>	+	LASR fund close out
50,000	225,379	50,000	Transfer In Financial Aid Fund V	50,000	50,000	<b>50,000</b>		
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>		
<u>49,017</u>	<u>47</u>	<u>10,000</u>	Transfer In Administratively Restricted IX	<u>1,046,000</u>	<u>1,046,000</u>	<b>1,046,000</b>	+	Fund close outs, PERS reserve transfer
<u>411,855</u>	<u>536,326</u>	<u>67,500</u>	<b>Total Transfers In</b>	<u>1,540,000</u>	<u>1,540,000</u>	<b>1,540,000</b>		
93,415,936	94,048,384	91,560,078	<b>TOTAL RESOURCES</b>	87,703,200	87,823,200	<b>87,823,200</b>		



# General Fund I Requirements

FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 BUDGET	Description of Resources and Requirements	FY 2017-18 PROPOSED	FY 2017-18 APPROVED	FY 2017-18 ADOPTED	+ - -	Explanation of changes in budget of > 10%
<b>REQUIREMENTS</b>								
<b>Instruction</b>								
1,387,075	1,095,756	1,154,405	Academic Learning Skills	1,064,149	1,064,149	<b>1,064,149</b>		
1,847,919	1,512,489	1,549,679	Adult Basic & Secondary Education	1,585,608	1,585,608	<b>1,585,608</b>		
3,424,837	3,278,169	3,112,870	Advanced Technologies	3,172,300	3,172,300	<b>3,172,300</b>		
2,676,198	2,450,550	2,263,388	Art & Applied Design	2,094,761	2,094,761	<b>2,094,761</b>		
3,000,541	2,622,240	2,598,337	Business & Computer Information Technology	2,536,370	2,573,872	<b>2,573,872</b>		
1,619,062	1,351,633	1,430,508	Cooperative Education	1,237,478	1,237,478	<b>1,237,478</b>	-	Classified, faculty vacancies
401,443	336,947	229,751	Counseling	222,852	222,852	<b>222,852</b>		
729,397	798,158	829,674	Culinary Arts & Hospitality	874,079	874,079	<b>874,079</b>		
1,490,685	1,340,460	1,287,157	English as a Second Language	1,263,179	1,263,179	<b>1,263,179</b>		
843,607	788,076	679,578	Extended Learning*	802,337	802,337	<b>802,337</b>	+	Program growth
2,119,284	1,984,960	2,000,687	Health & Physical Education	1,601,880	1,601,880	<b>1,601,880</b>	-	Faculty vacancies
6,920,011	7,406,753	7,516,681	Health Professions	7,729,870	7,802,275	<b>7,802,275</b>		
451,321	253,682	257,349	Lane Community College at Cottage Grove	116,862	116,862	<b>116,862</b>	-	Classified staff, management reassignment
544,665	564,727	564,127	Lane Community College at Florence	558,380	558,921	<b>558,921</b>		
5,184,445	4,808,312	5,263,433	Language, Literature & Communication	5,232,489	5,232,489	<b>5,232,489</b>		
3,599,497	3,617,901	3,618,306	Mathematics	3,701,757	3,701,757	<b>3,701,757</b>		
1,817,650	1,635,575	1,660,914	Music/Dance/Theatre Arts	1,505,931	1,505,931	<b>1,505,931</b>		
39,556	101,217	2,962,771	Non-Departmental	886,153	886,153	<b>886,153</b>	-	Accounting change in budget authority
4,055,422	3,996,295	4,003,646	Science	4,006,647	4,006,647	<b>4,006,647</b>		
3,436,142	3,188,587	3,549,890	Social Science	3,034,386	3,286,780	<b>3,286,780</b>	-	Faculty vacancies
137,920	127,359	330,000	Special Instructional Projects	186,816	186,816	<b>186,816</b>	-	Accounting change in budget authority
178,054	180,637	181,136	Tutoring	184,094	184,094	<b>184,094</b>		
98,021	81,843	-	Workforce Development	-	-	-		Program elimination
<b>46,002,755</b>	<b>43,522,325</b>	<b>47,044,287</b>	<b>Total Instruction</b>	<b>43,598,378</b>	<b>43,961,220</b>	<b>43,961,220</b>		

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

**General Fund I Requirements**

FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 BUDGET	Description of Resources and Requirements	FY 2017-18 PROPOSED	FY 2017-18 APPROVED	FY 2017-18 ADOPTED	+ -	Explanation of changes in budget of > 10%
<b>Instructional Support</b>								
1,408,186	1,361,118	1,365,029	Academic & Student Affairs Office	1,349,067	1,347,417	<b>1,347,417</b>		
796,503	814,881	982,471	Academic Technology	918,455	918,455	<b>918,455</b>		
435,094	327,883	390,963	Faculty Professional Development	361,743	361,743	<b>361,743</b>		
231,526	267,005	236,582	Grant Coordination	-	-		-	- Service elimination
332,705	335,698	335,255	High School Connections	366,408	468,906	<b>468,906</b>		
503,393	505,348	542,294	Information Technology	656,259	656,259	<b>656,259</b>		+ Correction in position budgets
1,150,303	1,211,718	1,264,664	Library	1,322,435	1,322,435	<b>1,322,435</b>		
2,111	2,527	44,298	Professional & Organizational Development	-	-		-	- Accounting change in budget authority
-	-	45,206	Science	-	-		-	- Correction in position budgets
551,946	401,699	922,173	Special Instructional Projects	1,212,073	1,212,073	<b>1,212,073</b>		+ Acad. prg review; acctg chg in budget authority
5,411,767	5,227,879	6,128,935	<b>Total Instructional Support</b>	6,186,440	6,287,288	<b>6,287,288</b>		
<b>Student Services</b>								
-	-	886,354	Athletics	885,827	885,827	<b>885,827</b>		
668,500	615,526	581,034	Center for Accessible Resources	750,710	747,077	<b>747,077</b>		+ Increased service requirements
146,046	274,921	289,747	Conference & Culinary Services	306,884	306,884	<b>306,884</b>		
2,813,229	2,416,787	2,831,563	Counseling	2,428,996	2,428,996	<b>2,428,996</b>		- Program reduction
1,568,459	1,408,765	1,422,302	Enrollment Services	1,648,391	1,582,591	<b>1,582,591</b>		+ Student affairs redesign
90,024	94,341	103,754	High School Connections	164,503	147,266	<b>147,266</b>		+ Program growth
25,966	22,860	194,565	Special Instructional Projects	579,397	484,598	<b>484,598</b>		+ 1st yr experience/Oregon Promise
1,538,196	1,512,943	1,463,257	Student Financial Services	1,371,385	1,371,385	<b>1,371,385</b>		
795,199	664,989	728,272	Student Life & Leadership Development	643,700	667,074	<b>667,074</b>		- Multicultural center redesign
-	194,963	292,694	Student Standards & Title IX	305,317	305,317	<b>305,317</b>		
462,158	428,753	402,025	Women's Programs	218,562	218,562	<b>218,562</b>		- Classified vacancy, program reorganization
-	498,536	418,842	Workforce Development	-	80,480	<b>80,480</b>		- Program elimination
8,107,777	8,133,384	9,614,409	<b>Total Student Services</b>	9,303,672	9,226,057	<b>9,226,057</b>		

Continued-

**General Fund I Requirements**

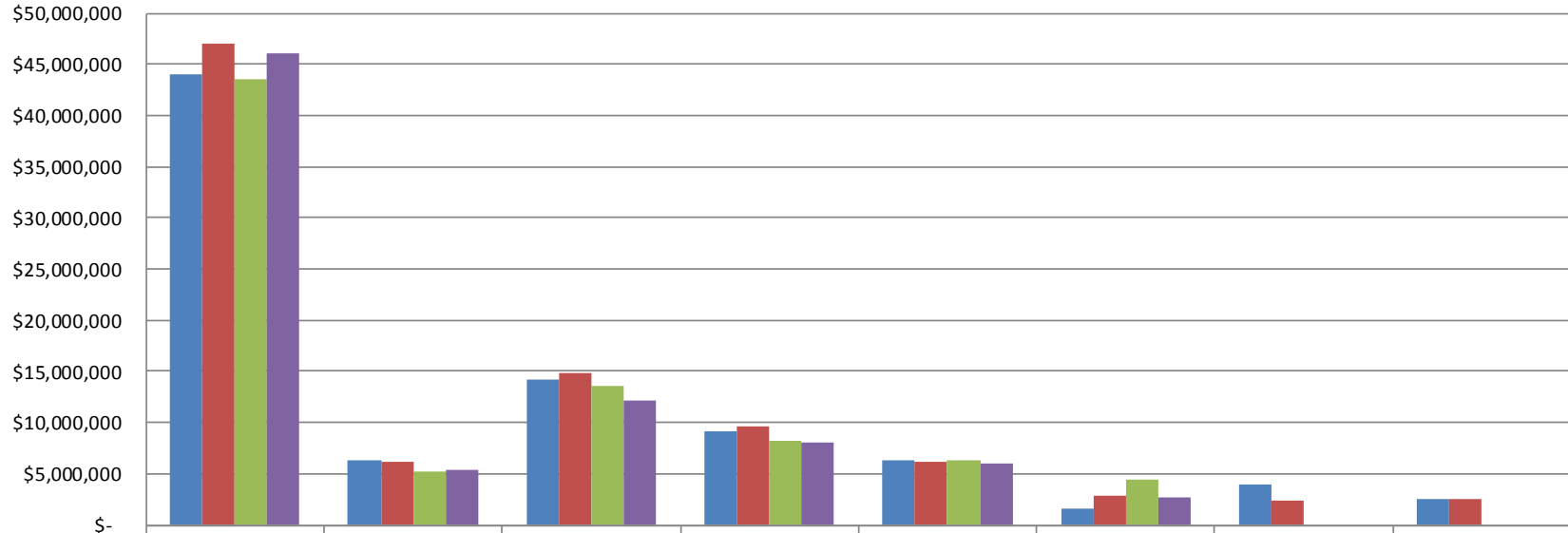
FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 BUDGET	Description of Resources and Requirements	FY 2017-18 PROPOSED	FY 2017-18 APPROVED	FY 2017-18 ADOPTED	+ -	Explanation of changes in budget of > 10%
<b>College Support Services</b>								
30,150	30,431	33,006	Archives & Records Management	34,645	34,645	<b>34,645</b>		
43,310	36,184	20,000	Board of Education	28,300	28,300	<b>28,300</b>		+ Accounting change in budget authority
5,263,967	1,231,565	1,311,659	College Finance	1,566,143	1,566,143	<b>1,566,143</b>		+ Reorganization
715,912	621,132	629,961	College Services	655,388	655,388	<b>655,388</b>		
164,979	204,252	236,494	Curriculum & Scheduling	246,570	246,570	<b>246,570</b>		
399,121	345,687	473,700	Governance & Administration	442,400	442,400	<b>442,400</b>		
1,166,286	1,258,517	1,274,420	Human Resources	1,327,338	1,327,338	<b>1,327,338</b>		
4,103,590	4,181,756	3,747,818	Infrastructure Technology	3,446,408	3,446,408	<b>3,446,408</b>		
599,008	558,381	614,447	Institutional Research, Assessment & Planning	638,664	638,664	<b>638,664</b>		
385,630	341,662	397,875	Institute for Sustainable Practices	381,252	381,252	<b>381,252</b>		
540,401	593,144	733,000	Insurance - Property & Liability	684,000	684,000	<b>684,000</b>		
682,055	736,374	698,902	Lane Community College Foundation	760,624	760,624	<b>760,624</b>		
212,075	176,959	77,613	Mail Services	118,155	118,155	<b>118,155</b>		+ Increased staffing
653,157	582,298	723,870	Marketing & Public Relations	620,136	620,136	<b>620,136</b>		- M&S reduction
(47,808)	4,598,023	1,092,000	Non-Departmental	708,500	457,316	<b>457,316</b>		- Accounting change in budget authority
(5,597,105)	(4,702,150)	-	Other Personnel Expenditures	-	-	-		
1,314,697	1,141,926	1,194,684	President's Office	1,146,560	1,146,560	<b>1,146,560</b>		
148,677	134,006	159,090	Professional & Organizational Development	189,000	189,000	<b>189,000</b>		+ Employee onboarding
1,318,219	1,496,195	1,410,588	Public Safety	1,373,915	1,359,024	<b>1,359,024</b>		
-	-	-	Telephone Services	57,831	57,831	<b>57,831</b>		+ Reorganization
12,096,322	13,566,340	14,829,127	<b>Total College Support Services</b>	14,425,829	14,159,754	<b>14,159,754</b>		
<b>Plant Operations &amp; Maintenance</b>								
5,965,721	6,251,757	6,234,818	Facilities Management & Planning	6,240,709	6,240,709	<b>6,240,709</b>		
5,965,721	6,251,757	6,234,818	<b>Total Plant Operations &amp; Maintenance</b>	6,240,709	6,240,709	<b>6,240,709</b>		
<b>Contingency</b>								
-	-	2,350,000	Projects/Provisions	3,884,821	3,884,821	<b>3,884,821</b>		+ Accounting change in budget authority
-	-	2,350,000	<b>Total Contingency</b>	3,884,821	3,884,821	<b>3,884,821</b>		

Continued-

**General Fund I Requirements**

FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 BUDGET	Description of Resources and Requirements	FY 2017-18 PROPOSED	FY 2017-18 APPROVED	FY 2017-18 ADOPTED	+ -	Explanation of changes in budget of > 10%
<b>Transfers Out:</b>								
360,748	428,037	396,000	To Internal Service Fund II	117,500	117,500	117,500	-	Reorganization
246,565	138,674	139,978	To Debt Service III	141,051	141,051	141,051	-	
786,625	1,056,820	1,037,000	To Capital Projects Fund IV	1,000,000	1,000,000	1,000,000	-	
187,397	-	-	To Financial Aid Fund V	-	-	-	-	
5,782	-	-	To Enterprise Fund VI	-	-	-	-	
<u>1,176,372</u>	<u>2,734,986</u>	<u>1,253,000</u>	To Administratively Restricted Fund IX	<u>339,000</u>	<u>339,000</u>	<u>339,000</u>	-	Health Clinic, Specialized Support Services trxs
2,763,489	4,358,518	2,825,978	<b>Total Transfers Out</b>	1,597,551	1,597,551	1,597,551	-	
<b>UEFB</b>								
-	-	2,532,524	Unappropriated Ending Fund Balance	2,465,800	2,465,800	2,465,800	-	
-	-	2,532,524	<b>Total UEFB</b>	2,465,800	2,465,800	2,465,800	-	
<b>TOTAL REQUIREMENTS</b>								
<u>80,347,830</u>	<u>81,060,203</u>	<u>91,560,078</u>		<u>87,703,200</u>	<u>87,823,200</u>	<u>87,823,200</u>	-	
<b>SUMMARY</b>								
93,415,936	94,048,384	91,560,078	Total Resources	87,703,200	87,823,200	87,823,200	-	
<u>(80,347,830)</u>	<u>(81,060,203)</u>	<u>(91,560,078)</u>	Less: Total Requirements	<u>(87,703,200)</u>	<u>(87,823,200)</u>	<u>(87,823,200)</u>	-	
13,068,104	12,988,183	-	<b>RESOURCES OVER-(UNDER) EXPENDITURES</b>	-	-	-	-	
<u>13,068,104</u>	<u>12,988,183</u>	<u>-</u>	<b>ENDING FUND BALANCE</b>	<u>-</u>	<u>-</u>	<u>-</u>	-	

**GENERAL FUND REQUIREMENTS**  
Fiscal Years 2015 through 2018



	Instruction	Instructional Support	College Support Services	Student Services	Plant Operations	Transfers Out	Contingency	UEFB
■ FY18 Adopted	\$43,961,220	\$6,287,288	\$14,159,754	\$9,226,057	\$6,240,709	\$1,597,551	\$3,884,821	\$2,465,800
■ FY17 Current	\$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 Actuals	\$43,522,325	\$5,227,879	\$13,566,340	\$8,133,384	\$6,251,757	\$4,358,518	\$-	\$-
■ FY15 Actuals	\$46,002,755	\$5,411,767	\$12,096,322	\$8,107,777	\$5,965,721	\$2,763,489	-	-

**General Fund Requirements by Expense Category**

	<b>FY 2017-18 ADOPTED</b>	Personnel Services	Materials & Services	Capital Outlay	Transfers Out	Debt Service	Contingency
<b>Instruction</b>							
Academic Learning Skills	<b>1,064,149</b>	1,044,349	19,800	-	-	-	-
Adult Basic & Secondary Education	<b>1,585,608</b>	1,545,908	39,700	-	-	-	-
Advanced Technologies	<b>3,172,300</b>	2,820,616	340,884	10,800	-	-	-
Art & Applied Design	<b>2,094,761</b>	1,920,416	174,345	-	-	-	-
Business & Computer Information Technology	<b>2,573,872</b>	2,489,201	84,671	-	-	-	-
Cooperative Education	<b>1,237,478</b>	1,197,369	40,109	-	-	-	-
Counseling	<b>222,852</b>	222,852	-	-	-	-	-
Culinary Arts & Hospitality	<b>874,079</b>	602,834	271,245	-	-	-	-
English as a Second Language	<b>1,263,179</b>	1,233,929	29,250	-	-	-	-
Extended Learning	<b>802,337</b>	766,337	36,000	-	-	-	-
Flight Technology	<b>150,000</b>	-	-	-	150,000	-	-
Health & Physical Education	<b>1,601,880</b>	1,447,121	154,759	-	-	-	-
Health Professions	<b>7,802,275</b>	6,820,140	982,135	-	-	-	-
Lane Community College at Cottage Grove	<b>116,862</b>	85,862	31,000	-	-	-	-
Lane Community College at Florence	<b>558,921</b>	533,021	25,900	-	-	-	-
Language, Literature & Communication	<b>5,232,489</b>	5,174,020	58,469	-	-	-	-
Mathematics	<b>3,701,757</b>	3,652,667	49,090	-	-	-	-
Music/Dance/Theatre Arts	<b>1,505,931</b>	1,406,411	99,520	-	-	-	-
Non-Departmental	<b>936,153</b>	886,153	-	-	50,000	-	-
Science	<b>4,006,647</b>	3,904,773	101,874	-	-	-	-
Social Science	<b>3,286,780</b>	3,245,198	41,582	-	-	-	-
Special Instructional Projects	<b>186,816</b>	186,816	-	-	-	-	-
Tutoring	<b>184,094</b>	177,094	7,000	-	-	-	-
<b>Total Instruction</b>	<b>44,161,220</b>	41,363,087	2,587,333	10,800	200,000	-	-

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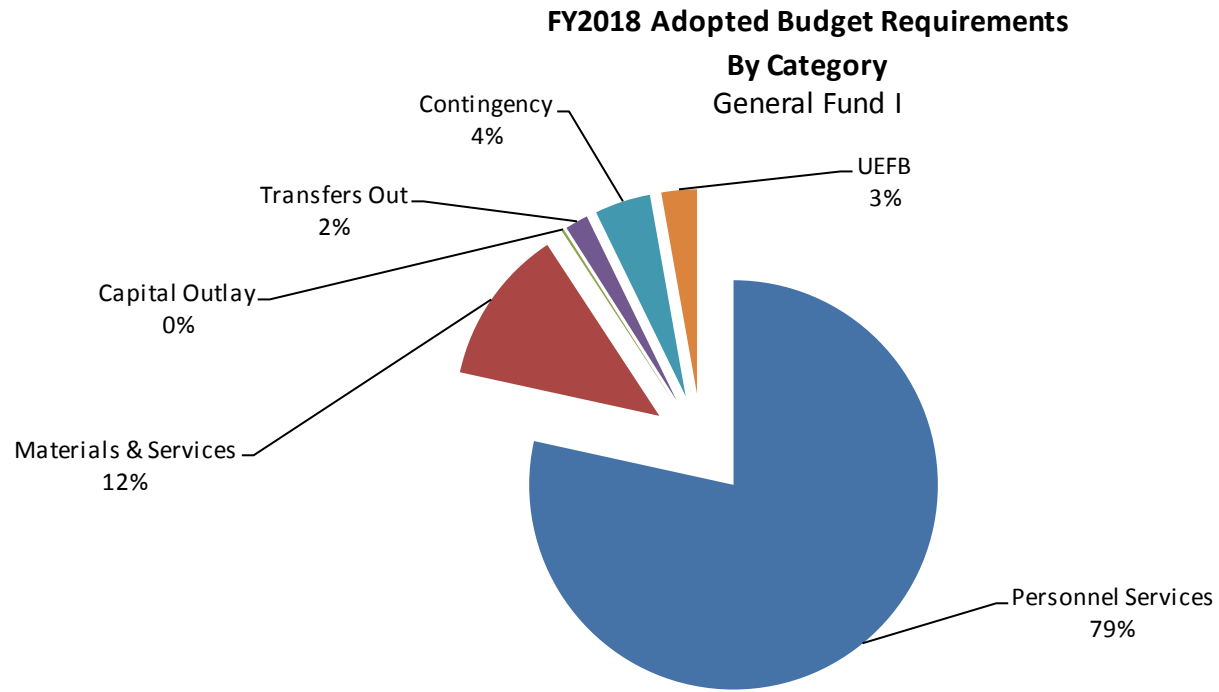
**General Fund Requirements by Expense Category**

	<b>FY 2017-18 ADOPTED</b>	Personnel Services	Materials & Services	Capital Outlay	Transfers Out	Debt Service	Contingency
<b>Instructional Support</b>							
Academic & Student Affairs Office	<b>1,347,417</b>	1,192,917	154,500	-	-	-	-
Academic Technology	<b>918,455</b>	886,925	31,530	-	-	-	-
Faculty Professional Development	<b>361,743</b>	-	361,743	-	-	-	-
High School Connections	<b>468,906</b>	429,106	39,800	-	-	-	-
Information Technology	<b>656,259</b>	656,259	-	-	-	-	-
Library	<b>1,322,435</b>	1,110,635	119,300	92,500	-	-	-
Special Instructional Projects	<b>1,212,073</b>	462,423	749,650	-	-	-	-
<b>Total Instructional Support</b>	<b>6,287,288</b>	4,738,265	1,456,523	92,500	-	-	-
<b>Student Services</b>							
Athletics	<b>885,827</b>	610,427	275,400	-	-	-	-
Center for Accessible Resources	<b>747,077</b>	648,592	98,485	-	-	-	-
Child & Family Education	<b>139,000</b>	-	-	-	139,000	-	-
Conference & Culinary Services	<b>306,884</b>	306,884	-	-	-	-	-
Counseling	<b>2,428,996</b>	2,346,550	82,446	-	-	-	-
Enrollment Services	<b>1,582,591</b>	1,539,091	43,500	-	-	-	-
High School Connections	<b>147,266</b>	147,266	-	-	-	-	-
Special Instructional Projects	<b>484,598</b>	411,868	72,730	-	-	-	-
Student Financial Services	<b>1,371,385</b>	1,337,985	33,400	-	-	-	-
Student Life & Leadership Development	<b>667,074</b>	584,104	82,970	-	-	-	-
Student Standards & Title IX	<b>305,317</b>	295,717	9,600	-	-	-	-
Women's Programs	<b>218,562</b>	212,562	6,000	-	-	-	-
Workforce Development	<b>80,480</b>	80,480	-	-	-	-	-
<b>Total Student Services</b>	<b>9,365,057</b>	8,521,526	704,531	-	139,000	-	-

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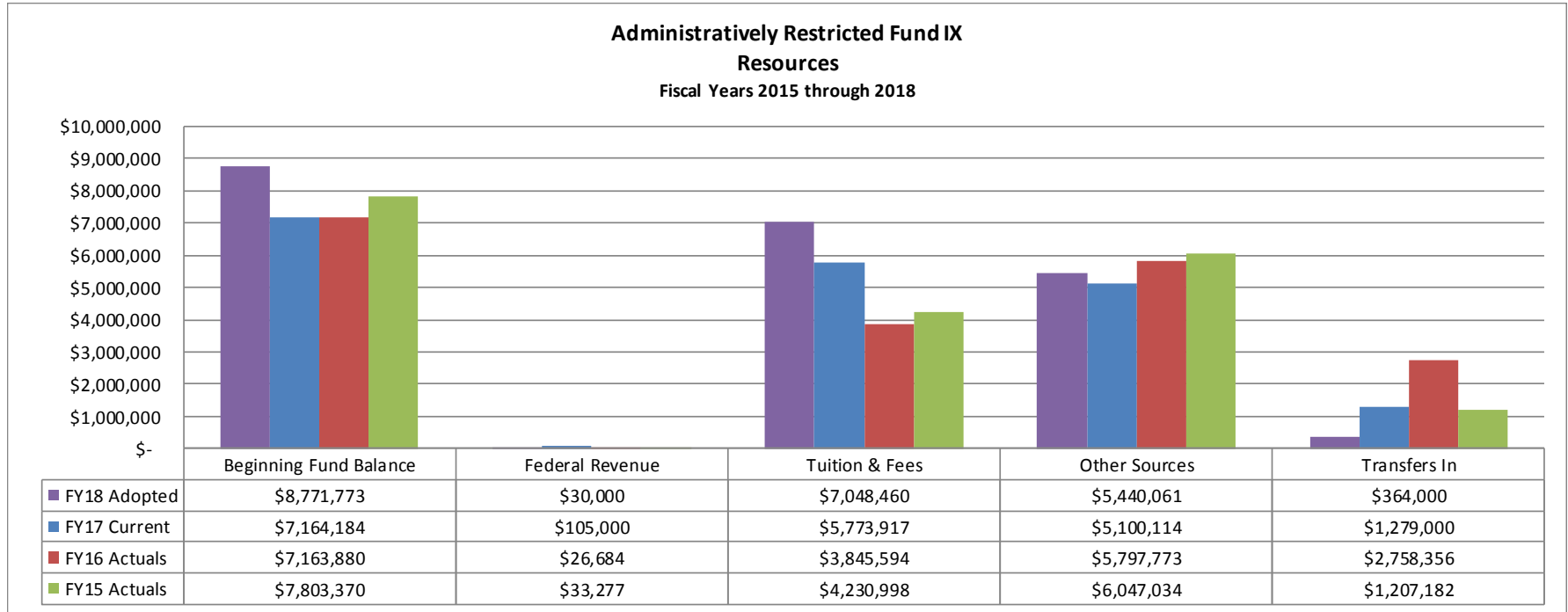
**General Fund Requirements by Expense Category**

	<b>FY 2017-18 ADOPTED</b>	Personnel Services	Materials & Services	Capital Outlay	Transfers Out	Debt Service	Contingency
<b>College Support Services</b>							
Archives & Records Management	<b>34,645</b>	30,045	4,600	-	-	-	-
Board of Education	<b>28,300</b>	-	28,300	-	-	-	-
College Finance	<b>1,707,194</b>	1,341,243	224,900	-	141,051	-	-
College Services	<b>705,388</b>	602,288	53,100	-	50,000	-	-
Curriculum & Scheduling	<b>246,570</b>	245,970	600	-	-	-	-
Employee Wellness	<b>67,500</b>	-	-	-	67,500	-	-
Governance & Administration	<b>442,400</b>	-	442,400	-	-	-	-
Human Resources	<b>1,327,338</b>	1,219,938	107,400	-	-	-	-
Infrastructure Technology	<b>3,446,408</b>	2,693,708	682,200	70,500	-	-	-
Institutional Research, Assessment & Planning	<b>638,664</b>	616,164	22,500	-	-	-	-
Institute for Sustainable Practices	<b>381,252</b>	294,052	87,200	-	-	-	-
Insurance - Property & Liability	<b>684,000</b>	-	684,000	-	-	-	-
Lane Community College Foundation	<b>760,624</b>	760,624	-	-	-	-	-
Mail Services	<b>118,155</b>	109,355	8,800	-	-	-	-
Marketing & Public Relations	<b>620,136</b>	243,936	376,200	-	-	-	-
Non-Departmental	<b>457,316</b>	208,500	248,816	-	-	-	-
President's Office	<b>1,146,560</b>	1,016,160	130,400	-	-	-	-
Professional & Organizational Development	<b>189,000</b>	-	189,000	-	-	-	-
Public Safety	<b>1,359,024</b>	1,201,024	158,000	-	-	-	-
Telephone Services	<b>57,831</b>	57,831	-	-	-	-	-
<b>Total College Support Services</b>	<b>14,418,305</b>	10,640,838	3,448,416	70,500	258,551	-	-
<b>Plant Operations &amp; Maintenance</b>							
Facilities Management & Planning	<b>7,240,709</b>	3,616,609	2,624,100	-	1,000,000	-	-
<b>Total Plant Operations &amp; Maintenance</b>	<b>7,240,709</b>	3,616,609	2,624,100	-	1,000,000	-	-
<b>Contingency</b>							
Projects/Provisions	<b>3,884,821</b>	-	-	-	-	-	3,884,821
Unappropriated Ending Fund Balance (UEFB)	<b>2,465,800</b>	-	-	-	-	-	2,465,800
<b>Total Contingency</b>	<b>6,350,621</b>	-	-	-	-	-	6,350,621
<b>Total General Fund Requirements</b>	<b>87,823,200</b>	68,880,325	10,820,903	173,800	1,597,551	-	6,350,621



### Administratively Restricted – Fund IX – Resources

FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 BUDGET	Description of Resources and Requirements	FY 2017-18 PROPOSED	FY 2017-18 APPROVED	FY 2017-18 ADOPTED	+ -	Explanation of changes in budget of > 10%
7,803,370	7,163,880	7,164,184	Beginning Fund Balance	8,771,773	8,771,773	<b>8,771,773</b>		
33,277	26,684	105,000	Federal Support	30,000	30,000	<b>30,000</b>	-	Budgeted at current projection
			Tuition & Fees:					
236,880	276,183	455,000	Tuition	455,000	455,000	<b>455,000</b>		
3,994,118	3,569,411	5,318,917	Student Fees	6,593,460	6,593,460	<b>6,593,460</b>	+	Technology fee increase
1,795,502	1,697,663	1,953,038	Other Fees & Charges	2,013,863	1,993,863	<b>1,993,863</b>		
2,167,881	2,359,269	2,112,526	Sale of Goods and Services	1,914,228	1,814,228	<b>1,814,228</b>		
<u>2,083,651</u>	<u>1,740,841</u>	<u>1,034,550</u>	Other Revenue	<u>1,631,970</u>	<u>1,631,970</u>	<b><u>1,631,970</u></b>	+	Program growth
10,311,309	9,670,051	10,979,031	<b>Total Revenues</b>	12,638,521	12,518,521	<b>12,518,521</b>		
			<b>Transfers In:</b>					
1,176,372	2,733,986	1,253,000	Transfer In General Fund I	339,000	339,000	<b>339,000</b>	-	Eliminated Health Clinic and Specialized Support Services transfers
8,767	23,370	25,000	Transfer In Internal Services Fund II	25,000	25,000	<b>25,000</b>		
<u>22,043</u>	<u>1,000</u>	<u>1,000</u>	Transfer In Enterprise Fund VI	-	-	<b>-</b>	-	Accounting change in budget authority
1,207,182	2,758,356	1,279,000	<b>Total Transfers In</b>	<u>364,000</u>	<u>364,000</u>	<b><u>364,000</u></b>		
19,321,540	19,592,288	19,422,215	<b>TOTAL RESOURCES</b>	21,774,294	21,654,294	<b>21,654,294</b>		



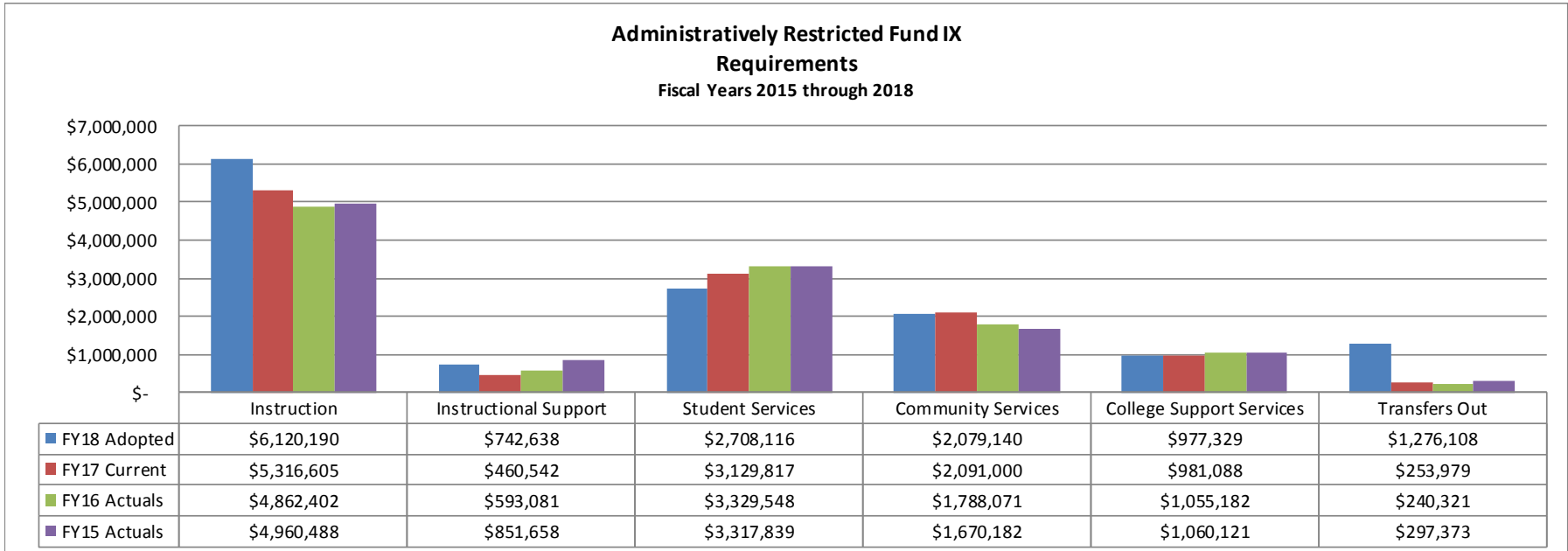
# Administratively Restricted – Fund IX – Requirements

FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 BUDGET	Description of Resources and Requirements	FY 2017-18 PROPOSED	FY 2017-18 APPROVED	FY 2017-18 ADOPTED	+	Explanation of changes in budget of > 10%
<b>REQUIREMENTS</b>								
<b>Instruction</b>								
360,303	371,910	-	Child Development Center	-	-	-		
1,251,991	1,162,784	1,469,545	Extended Learning	1,347,750	1,347,750	<b>1,347,750</b>		
1,019,571	1,040,692	1,111,736	Flight Technology	1,242,925	1,242,925	<b>1,242,925</b>	+	Program growth
518,063	526,686	607,875	Institute for Sustainable Practices	600,925	600,925	<b>600,925</b>		
1,469,029	1,446,697	1,390,000	Specialized Support Services	1,208,582	1,208,582	<b>1,208,582</b>	-	Program efficiencies
13,118	2,364	17,000	Student Restaurant	18,190	18,190	<b>18,190</b>		
<u>328,413</u>	<u>311,270</u>	<u>720,449</u>	Technology Fee	<u>1,701,818</u>	<u>1,701,818</u>	<u><b>1,701,818</b></u>	+	Technology fee investments
4,960,488	4,862,402	5,316,605	<b>Total Instruction</b>	6,120,190	6,120,190	<b>6,120,190</b>		
<b>Instructional Support</b>								
-	-	-	Academic Technology	513,285	513,285	<b>513,285</b>	+	Online and Open Educational Resources
87,017	90,266	120,000	Regional Technical Education Consortium	120,000	-	-		
102,080	15,256	40,476	Special Instruction Projects	-	-	-	-	Accounting change in budget authority
<u>662,561</u>	<u>487,559</u>	<u>300,066</u>	Technology Fee	<u>229,353</u>	<u>229,353</u>	<u><b>229,353</b></u>	-	Reduction in support staff FTE
851,658	593,081	460,542	<b>Total Instructional Support</b>	862,638	742,638	<b>742,638</b>		
<b>Student Services</b>								
654,335	626,624	-	Athletics	-	-	-		
867,897	841,818	825,631	Child Development Center	799,307	799,307	<b>799,307</b>		
940,635	1,025,817	1,274,286	Health Clinic	1,263,166	1,263,166	<b>1,263,166</b>		
589,007	567,089	677,319	Student Life and Leadership Development	530,321	530,321	<b>530,321</b>	-	Management vacancy
22,213	21,067	11,912	Student Productions Association	10,679	10,679	<b>10,679</b>	-	Materials and services reduction
26,704	30,160	-	Technology Fee	-	-	-		
173,006	177,352	157,519	The Torch	57,894	57,894	<b>57,894</b>	-	Faculty vacancy
44,042	39,621	108,150	Women's Programs	46,749	46,749	<b>46,749</b>	-	Classified vacancy and reorganization
-	-	75,000	Workforce Development	-	-	-	-	Program elimination
<u>3,317,839</u>	<u>3,329,548</u>	<u>3,129,817</u>	<b>Total Student Services</b>	<u>2,708,116</u>	<u>2,708,116</u>	<u><b>2,708,116</b></u>		

Continued

**Administratively Restricted Fund IX - Requirements**

FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 BUDGET	Description of Resources and Requirements	FY 2017-18 PROPOSED	FY 2017-18 APPROVED	FY 2017-18 ADOPTED	+ -	Explanation of changes in budget of > 10%
<b>Community Services</b>								
1,670,182	1,788,071	2,091,000	KLCC FM Operations	2,079,140	2,079,140	2,079,140		
1,670,182	1,788,071	2,091,000	<b>Total Community Services</b>	2,079,140	2,079,140	2,079,140		
<b>College Support Services</b>								
-	45,340	-	Specal Instruction Projects (CCWD)	-	-	-		
376,239	358,350	143,485	Technology Fee	152,829	152,829	152,829		
683,883	651,492	837,603	Transportation	824,500	824,500	824,500		
1,060,121	1,055,182	981,088	<b>Total College Support Services</b>	977,329	977,329	977,329		
<b>Transfers Out:</b>								
49,017	47	10,000	To General Fund I	1,046,000	1,046,000	1,046,000		+ Fund closeouts, PERS reserve transfer
23,867	27,315	28,504	To Debt Service III	27,315	27,315	27,315		
224,489	212,959	215,475	To Capital Projects Fund IV	202,793	202,793	202,793		
297,373	240,321	253,979	<b>Total Transfers Out</b>	1,276,108	1,276,108	1,276,108		
<b>Contingency</b>								
-	-	7,189,184	Projects/Provisions	7,750,773	7,750,773	7,750,773		
-	-	7,189,184	<b>Total Contingency</b>	7,750,773	7,750,773	7,750,773		
12,157,661	11,868,605	19,422,215	<b>TOTAL REQUIREMENTS</b>	21,774,294	21,654,294	21,654,294		
7,163,880	7,723,683	-	<b>ENDING FUND BALANCE</b>	-	-	-		
<b>SUMMARY</b>								
19,321,540	19,592,288	19,422,215	Total Resources	21,774,294	21,654,294	21,654,294		
(12,157,661)	(11,868,605)	(19,422,215)	Less: Total Requirements	(21,774,294)	(21,654,294)	(21,654,294)		
7,163,880	7,723,683	-	<b>RESOURCES OVER-(UNDER) EXPENDITURES</b>	-	-	-		







**DEBT FUND III  
AND  
CAPITAL FUND IV**

# Long Term Debt Obligations

The debt service fund is used to account for the accumulation of resources and, for the payment of general long term debt principal, interest and related costs.

FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 BUDGET	Description of Resources and Requirements	FY 2017-18 PROPOSED	FY 2017-18 APPROVED	FY 2017-18 ADOPTED	+ -	Explanation of changes in budget of > 10%
<b>RESOURCES</b>								
1,505,634	1,912,867	618,812	Beginning Fund Balance	200,000	200,000	<b>200,000</b>	-	Based on audited FY16 fund balance of \$122,081 and current projection
6,982,386	5,987,843	6,852,975	Property Taxes	7,276,300	7,276,300	<b>7,276,300</b>		
-	16,234,521	-	Bond Refinancing Proceeds	-	-	-		
4,231,999	4,445,374	4,551,650	Other Revenue - PERS Bond	4,906,650	4,906,650	<b>4,906,650</b>		
<u>11,214,385</u>	<u>26,667,738</u>	<u>11,404,625</u>	<b>Total Revenues</b>	<u>12,182,950</u>	<u>12,182,950</u>	<u><b>12,182,950</b></u>		
<b>Transfers In</b>								
246,565	138,674	139,978	Transfer In General Fund I	141,051	141,051	<b>141,051</b>		
776,442	735,097	1,470,500	Transfer In Enterprise Fund VI	1,279,150	1,279,150	<b>1,279,150</b>	-	Based on current Downtown Housing debt service schedules
<u>23,867</u>	<u>27,315</u>	<u>28,504</u>	Transfer In Administratively Restricted IX	<u>27,315</u>	<u>27,315</u>	<u><b>27,315</b></u>		
<u>1,046,874</u>	<u>901,086</u>	<u>1,638,982</u>	<b>Total Transfers In</b>	<u>1,447,516</u>	<u>1,447,516</u>	<u><b>1,447,516</b></u>		
<u>13,766,893</u>	<u>29,481,690</u>	<u>13,662,419</u>	<b>TOTAL RESOURCES</b>	<u>13,830,466</u>	<u>13,830,466</u>	<u><b>13,830,466</b></u>		
<b>REQUIREMENTS</b>								
11,854,026	12,404,747	13,662,419	Debt Service	13,830,466	13,830,466	<b>13,830,466</b>		
-	16,075,975	-	Payment to refunded bond escrow	-	-	-		
-	158,546	-	Issuance Costs	-	-	-		
<u>11,854,026</u>	<u>28,639,267</u>	<u>13,662,419</u>	<b>TOTAL REQUIREMENTS</b>	<u>13,830,466</u>	<u>13,830,466</u>	<u><b>13,830,466</b></u>		
<u>1,912,867</u>	<u>842,423</u>	<u>-</u>	<b>ENDING FUND BALANCE</b>	<u>-</u>	<u>-</u>	<u>-</u>		
<b>SUMMARY</b>								
13,766,893	29,481,690	13,662,419	Total Resources	13,830,466	13,830,466	<b>13,830,466</b>		
(11,854,026)	(28,639,267)	(13,662,419)	Less: Total Requirements	(13,830,466)	(13,830,466)	<b>(13,830,466)</b>		
<u>1,912,867</u>	<u>842,423</u>	<u>-</u>	<b>RESOURCES OVER-(UNDER) EXPENDITURES</b>	<u>-</u>	<u>-</u>	<u>-</u>		

## Obligation to Pay

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

**Debt Limitation**

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

**Lane Community College  
General Obligation Debt Capacity**

<b>Measure 5 Real Market Value (Fiscal Year 2016)</b>	\$ 41,869,053,720 <sup>(1)</sup>
<b>Debt Capacity</b>	
General Obligation Debt Capacity (1.5% of RMV)	\$ 628,035,806
Less: Outstanding Debt Subject to Limit	(53,005,000) <sup>(2)</sup>
<b>Remaining General Obligation Debt Capacity</b>	<b>\$ 575,030,806</b>
<b>Percent of Capacity Issued</b>	<b>8.44%</b>

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

(2) Represents voter-approved, unlimited-tax general obligations of the District. *Source: Lane Community College Audited Financial Reports for the Fiscal Year Ended June, 30, 2015.*

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

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

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

## Outstanding Long-Term Debt

### 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
2017-2018	22,355	4,960	27,315
2018-2024	128,735	16,229	167,319
Total Flight Technology	151,090	21,189	194,634

### 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
2017-2018	90,000	51,051	141,051
2018-2027	1,015,000	248,787	1,263,787
Total Qualified Energy Conservation Bonds	1,105,000	299,838	1,404,838

### 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		Series 2016 Bonds		Total
	Principal	Interest	Principal	Interest	Principal	Interest	
2017-2018	2,480,000	154,900	2,990,000	1,307,100	-	546,700	7,478,700
2018-2024	1,205,000	50,700	27,170,000	4,186,175	14,135,000	2,504,000	49,250,875
Total General Obligation Bonds	3,685,000	205,600	30,160,000	5,493,275	14,135,000	3,050,700	56,729,575

**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			Debt Service
		Total	Subsidy	Net	
2017-2018	695,000	1,261,323	(526,161)	735,162	1,430,162
2018-2036	17,980,000	12,788,740	(5,334,822)	7,453,918	25,433,918
Total Recovery Zone Bonds	18,675,000	14,050,063	(5,860,983)	8,189,080	26,864,080

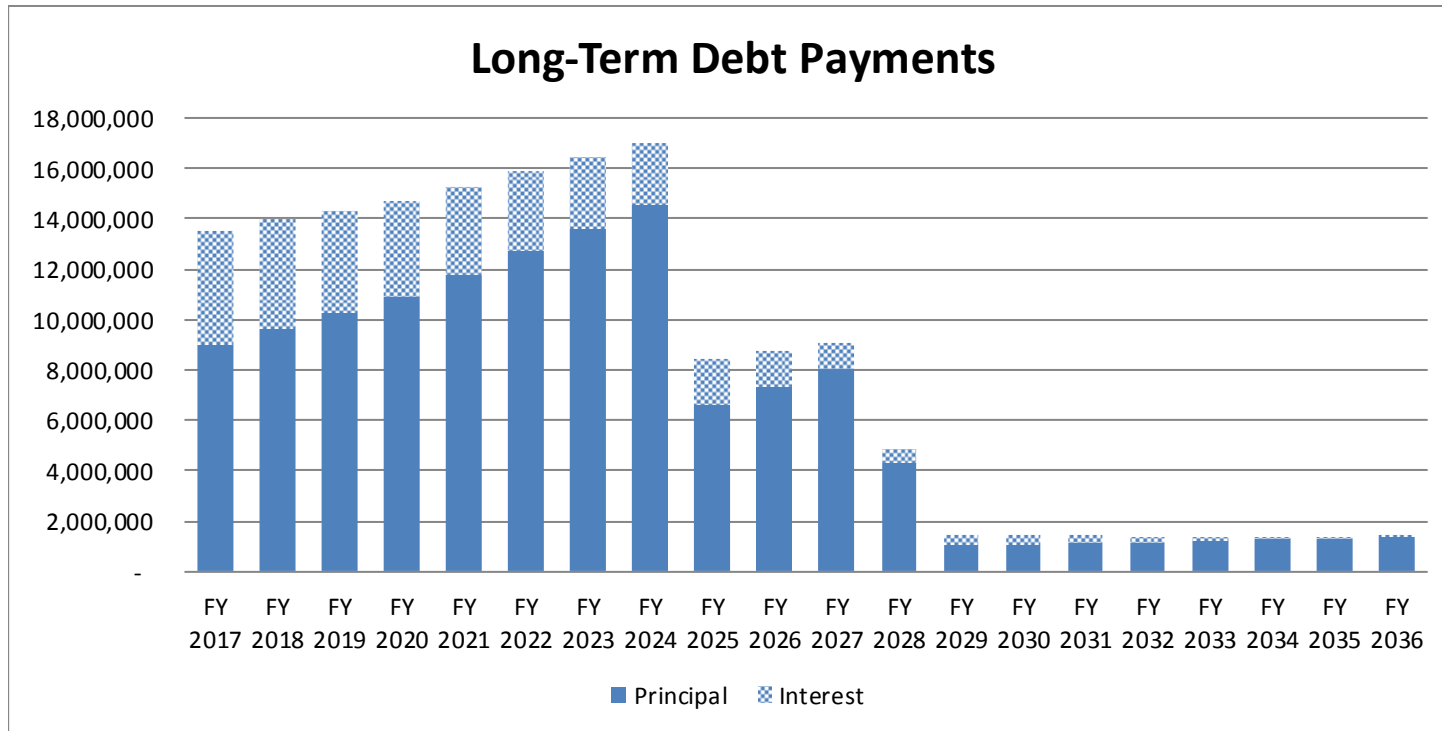
**Pension Obligation Bonds**

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
2017-2018	3,375,000	1,529,250	4,904,250
2018-2028	47,855,000	12,105,904	59,960,904
Total Pension Obligation Bonds	51,230,000	13,635,154	64,865,154
Less Deferred Interest	(6,056,352)		
Carrying Amount 2016-2017	45,173,648		

**Total Debt Service**

Debt Service	Principal	Interest	Total
2017-2018	9,652,355	4,329,123	13,981,478
2018-2036	110,183,735	26,565,713	136,076,803
Total Debt Service	119,836,090	30,894,836	150,058,281
Less Deferred Interest	(6,056,352)		
	113,779,738		



(1) FY="Fiscal Year". Source: Lane Community College Audited Financial Reports for the Fiscal Year Ended June 30, 2016

**Capital Projects Fund IV**

FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 BUDGET	Description of Resources and Requirements	FY 2017-18 PROPOSED	FY 2017-18 APPROVED	FY 2017-18 ADOPTED	+	Explanation of changes in budget of > 10%
<b>RESOURCES</b>								
32,602,430	10,606,025	6,722,133	Beginning Fund Balance	4,900,000	4,900,000	<b>4,900,000</b>	-	Budgeted at current projection; conclusion of bond project
-	7,600,000	1,687,000	State Support	1,388,576	1,388,576	<b>1,388,576</b>	-	Pending receipt from state for bond project work
916,771	547,890	-	Other Fees & Charges	-	-	-	-	
55,528	319,713	-	Other Revenue	-	-	-	-	
972,299	8,467,603	1,687,000	<b>Total Revenues</b>	1,388,576	1,388,576	<b>1,388,576</b>		
<b>Transfers In</b>								
786,625	1,056,820	1,037,000	Transfer In General Fund I	1,000,000	1,000,000	<b>1,000,000</b>		
224,489	212,959	215,475	Transfer In Administratively Restricted IX	202,793	202,793	<b>202,793</b>		
1,011,114	1,269,779	1,252,475	<b>Total Transfers In</b>	1,202,793	1,202,793	<b>1,202,793</b>		
34,585,842	20,343,407	9,661,608	<b>TOTAL RESOURCES</b>	7,491,369	7,491,369	<b>7,491,369</b>		
<b>REQUIREMENTS</b>								
<b>Capital Projects</b>								
23,977,266	15,673,586	9,661,608	Capital Projects	7,051,369	7,051,369	<b>7,051,369</b>	-	Conclusion of bond project work
23,977,266	15,673,586	9,661,608	<b>Total Capital Projects</b>	7,051,369	7,051,369	<b>7,051,369</b>		
<b>Contingency</b>								
-	-	-	Projects/Provisions	-	-	-	-	
-	-	-	<b>Total Contingency</b>	-	-	-	-	
<b>Transfers Out</b>								
2,550	9,232	-	To General Fund I	440,000	440,000	<b>440,000</b>		Closing LASR fund to General Fund
-	23,370	-	To Administratively Restricted Fund IX	-	-	-		
2,550	32,602	-	<b>Total Transfers Out</b>	440,000	440,000	<b>440,000</b>		
23,979,816	15,706,188	9,661,608	<b>TOTAL REQUIREMENTS</b>	7,491,369	7,491,369	<b>7,491,369</b>		
10,606,025	4,637,219	-	<b>ENDING FUND BALANCE</b>	-	-	-		
<b>SUMMARY</b>								
34,585,842	20,343,407	9,661,608	Total Resources	7,491,369	7,491,369	<b>7,491,369</b>		
(23,979,816)	(15,706,188)	(9,661,608)	Less: Total Requirements	(7,491,369)	(7,491,369)	<b>(7,491,369)</b>		
10,606,025	4,637,219	-	<b>RESOURCES OVER-(UNDER) EXPENDITURES</b>	-	-	-		

## Capital Budget

### **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.*)

### **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.

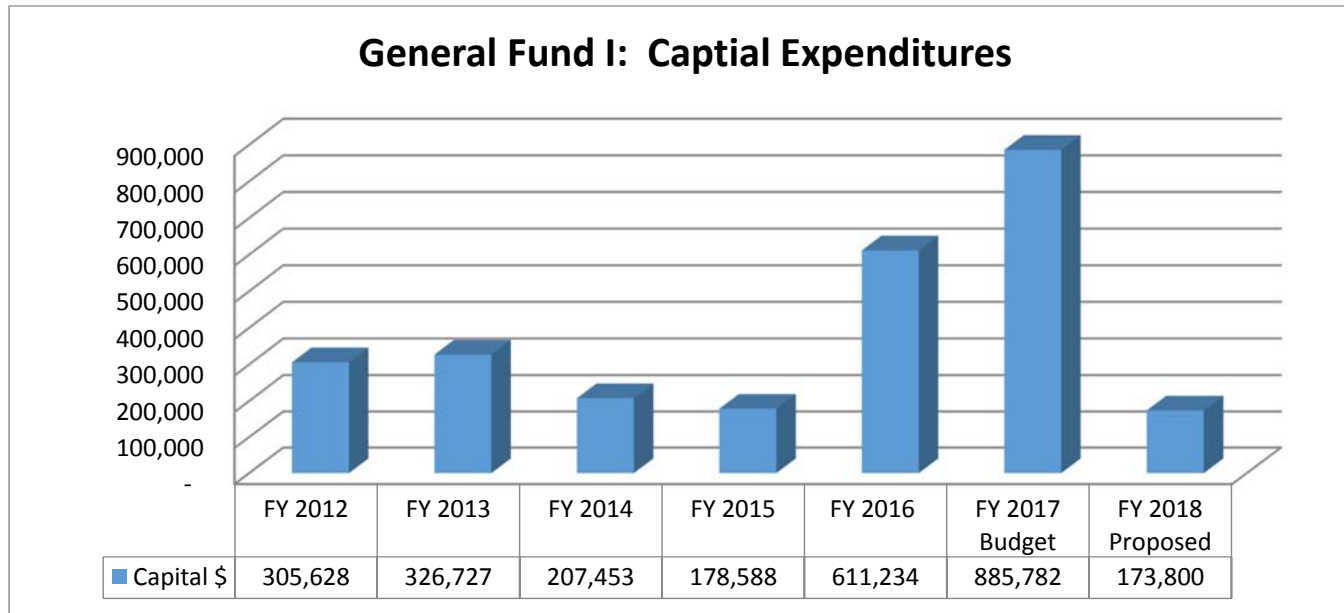
The Leadership in Educational Facilities (APPA) professional association recommends the following formula to budget operating costs for new buildings:

- Annual maintenance costs at 2% of the construction cost.
- Custodial at \$1.95 per square foot.
- Utilities. The college's cost for utilities in FY201516 was \$1.01 per square foot.
- Grounds cost per acre (if applicable). Lane currently spends approximately \$1,576 per acre for grounds upkeep.



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

	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017 Budget	FY 2018 Proposed
General Fund	\$ 305,628	\$ 326,727	\$ 207,453	\$ 178,588	\$ 611,234	\$ 885,782	\$ 173,800
Admin. Restricted	334,297	71,272	112,755	125,705	34,511	323,476	349,063
Internal Service	82,809	129,162	-	-	29,195	100,000	25,000
Capital Fund	50,250,992	17,793,321	9,949,725	23,979,817	15,673,586	9,661,608	7,491,369
Enterprise	229,176	69,869	45,598	300,125	29,129	30,000	20,000
Special Revenue	555,635	815,524	76,924	154,351	256,915	250,000	250,000



**Funding from General Fund**

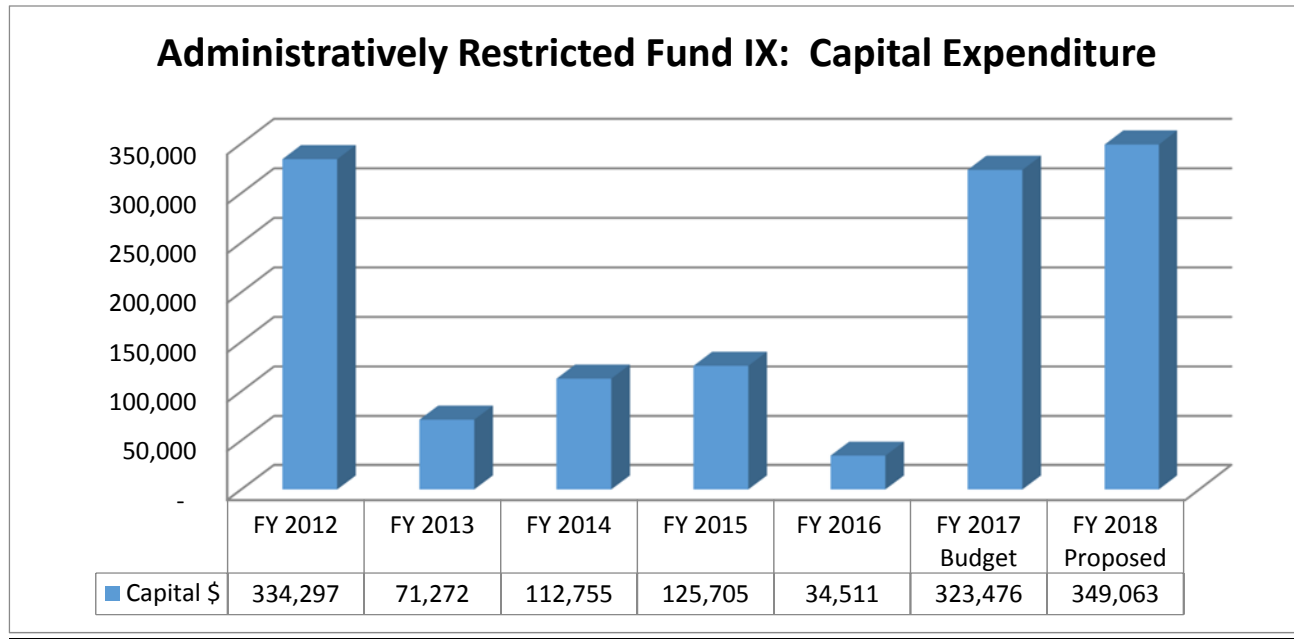
The following table lists proposed 2018 Capital Purchases to be funded through the General Fund in Academic & Student Affairs (ASA) and College Services (CS):

Department	Division	Purpose	Amounts
330110 - Information Technology	ASA	Technology equipment & software	\$70,500
525001 - Library Administration	ASA	Library books and periodicals	\$80,000

**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 2017 Capital Purchases to be funded through ICP:

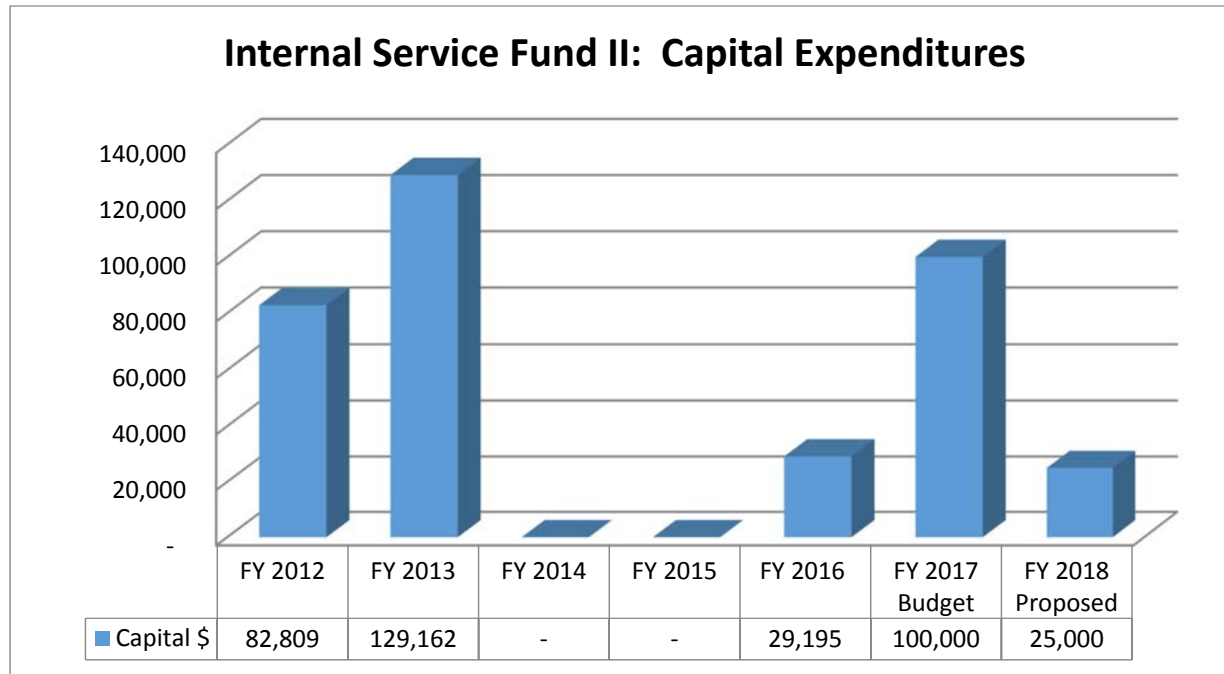
Department	Division	Purpose	Amounts
525001 - Library Administration	ASA	Library books and periodicals	\$12,500
612205 - Welding Technology	ASA	Equipment replacement	\$10,800



**Funding from Administratively Restricted Fund IX**

Administratively Restricted Funds are restricted to account for specific, identified programs. The following table lists proposed 2018 Capital Purchases to be funded through the Administratively Restricted Fund IX:

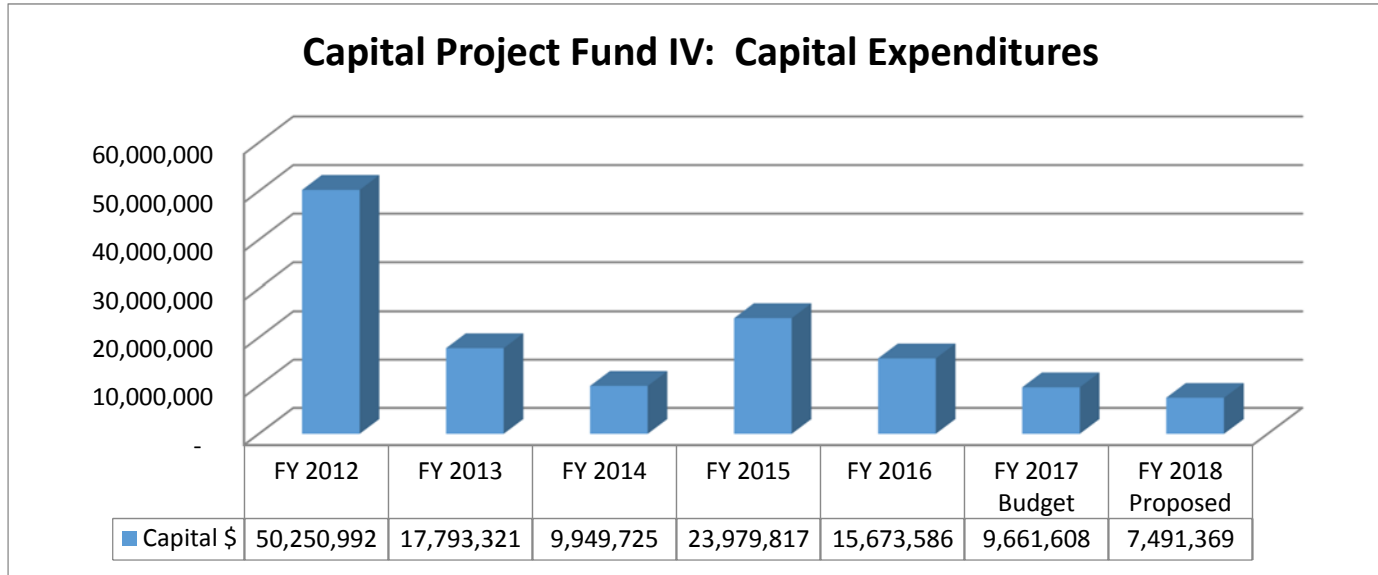
Department	Division	Purpose	Amounts
229050 – Bike Lane	CS	Bike Lane facility	\$220,000
265500 – KLCC Broadcasting	CS	Broadcasting equipment	\$79,063
613001 – Flight Technology	ASA	Fleet reinvestment	\$50,000



**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 2018 Capital Purchases to be funded through Internal Service Resources:

Department	Division	Purpose	Amounts
270001-Printing & Graphics	CS	Equipment replacement	\$10,000
220140-Motor Pool	CS	Fleet: Vehicle replacement	\$15,000



**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 2018 Capital Projects to be funded:

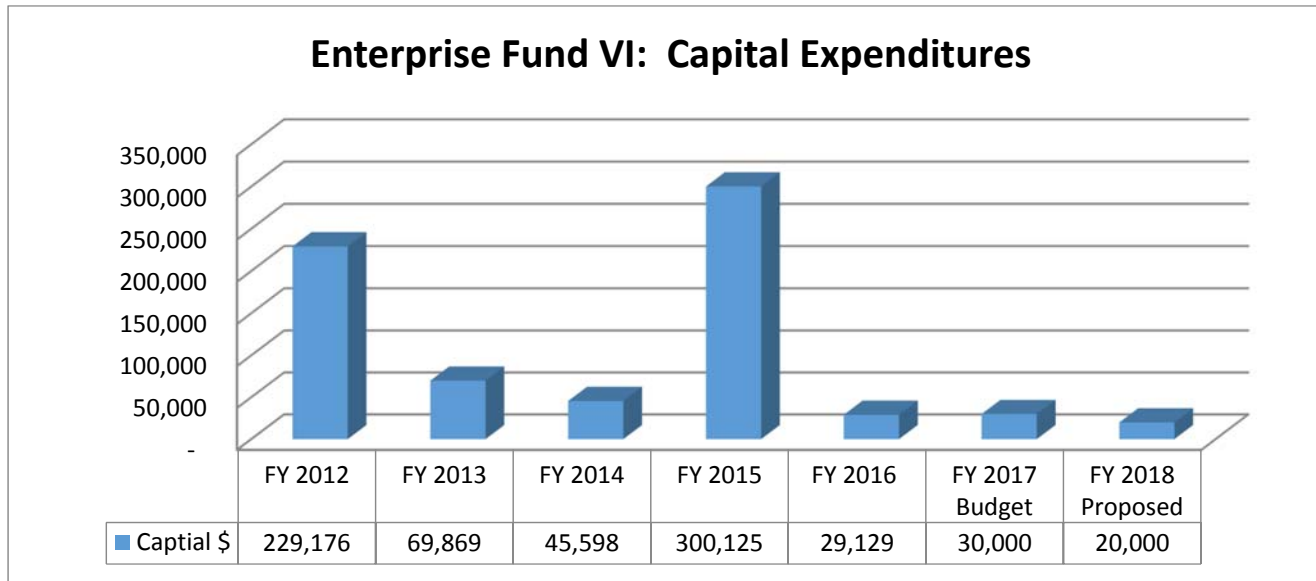
Project Title	Purpose	Amounts
Building 18 – 2 <sup>nd</sup> Floor remodel	Media Arts remodel and seismic upgrade	\$3,139,000
Central Plant Upgrade	Boilers, towers and chiller updates	\$1,681,020
Solar Lab	Comply with State requirement for 1% expenditure on solar and create training facility future solar installers	\$273,688
Capital Reserve Funds (BP230)	Emergency and opportunities	\$662,312

In fiscal years 2011 and 2012 the major 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/pr4931020jects-building](http://www.lanecc.edu/bond/pr4931020jects-building).

**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, \$620,349 previous year's carryover and \$115,000 from transportation funds. The following list details proposed 2018 Capital Rehabilitation and Preservation of Existing Capital to be funded through the 2017 Proposed Capital Budget:

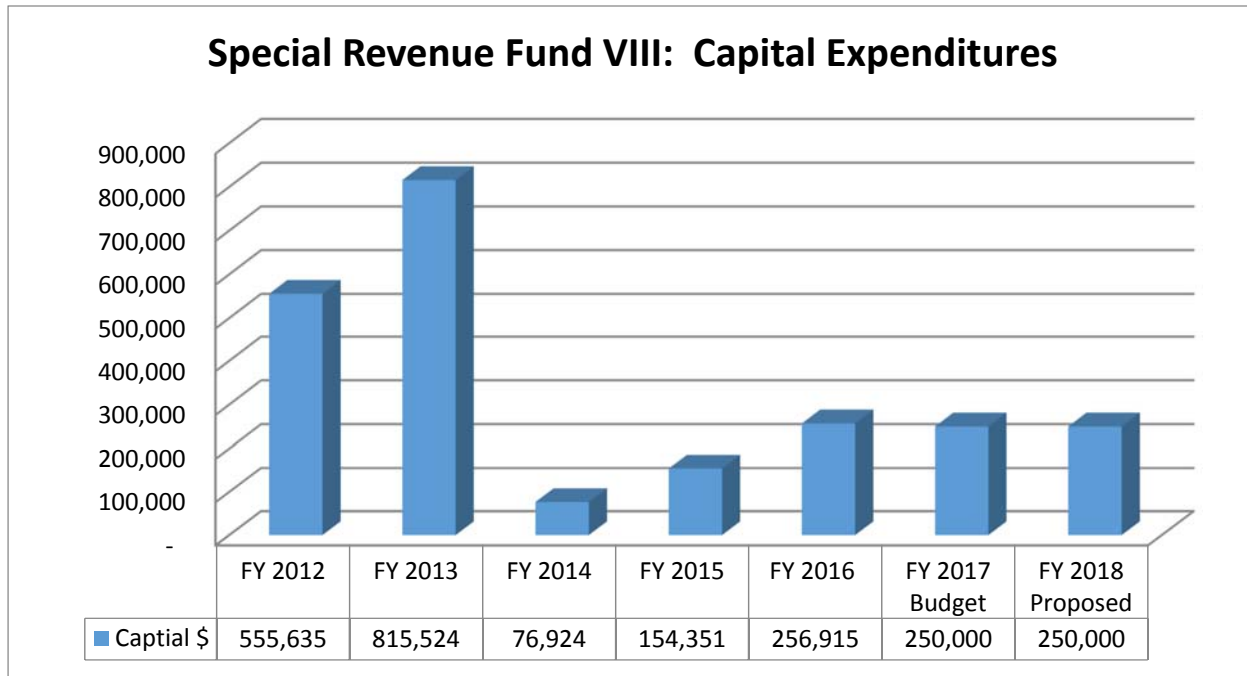
Project Title	Purpose	Amounts
Building 6 Entry Waterproofing	2 <sup>nd</sup> floor exterior concrete patio leaks into first floor. Waterproof coating required.	\$25,000
Building 18 Roof	Replace roof that is beyond rated life	\$450,000
Restroom Remodels	ADA restroom remodels required by Office of Civil Rights	\$150,000
Parking Lot Improvements	ADA parking lot improvements required by Office of Civil Rights	\$370,000
Roof Tie Offs	Improve roof fall protection systems to comply with OSHA regulations and provide safe systems for maintenance staff to work on roofs (this is a \$550,000 project that will be implemented over approx. 5 years)	\$100,000
Road Repairs	Repair failing asphalt at speed bump at intersection between lots B & C	\$50,000
Facilities Condition Assessment	Update and improve facilities assessment to create a multi-year renewal plan	\$150,000
Public Safety & Dental Move	These programs are in the Building 13 trailers which require approx. \$100,000 in repairs to remain operational. The \$125K will be used to move these programs to permanent Lane building and to remove the Building 13 trailers.	\$125,000
Building 3 Safety	First floor security improvements	\$42,520
Building 3 Safety	Design second floor security improvements for implementation in FY19	\$11,410
Unplanned	Typical expenditures include water damage from roof leaks, pipe failures, HVAC and electrical equipment. Facility Management and Planning (FMP) have a Deferred Maintenance Funding Targets of \$17.9 million.	\$143,419



**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 2017 Capital Projects to be funded by Enterprise Fund VI:

Fund	Division	Purpose	Amounts
611200 – Center Food Service	ASA	Equipment replacement	\$20,000



**Special Revenue Fund VIII**

Special Revenue Fund VIII funding comes from revenues that are legally restricted to expenditures for specific purposes. The following table lists proposed 2017 Capital Projects to be funded by Special Revenue Fund VIII:

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





**INTERNAL SERVICE FUND II**  
**FINANCIAL AID FUND V**  
**ENTERPRISE FUND VI**  
**SPECIAL REVENUE FUND VIII**

# Internal Service Fund II

FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 BUDGET	Description of Resources and Requirements	FY 2017-18 PROPOSED	FY 2017-18 APPROVED	FY 2017-18 ADOPTED	+ - -	Explanation of changes in budget of > 10%
<b>RESOURCES</b>								
463,365	425,051	475,000	Beginning Fund Balance	401,670	401,670	<b>401,670</b>		
984,831	901,382	1,233,000	Sale of Goods and Services	1,225,000	1,225,000	<b>1,225,000</b>		
1,615	1,343	2,000	Student Fees	2,000	2,000	<b>2,000</b>		
32,633	25,499	45,000	Other Fees & Charges	30,000	30,000	<b>30,000</b>	-	Decreased Motor Pool activity
8,952	17,349	25,000	Other Revenue	15,000	15,000	<b>15,000</b>	-	Decreased Printing & Graphics sales
<u>1,028,030</u>	<u>945,574</u>	<u>1,305,000</u>	<b>Total Revenues</b>	<u>1,272,000</u>	<u>1,272,000</u>	<u><b>1,272,000</b></u>		
<b>Transfers In</b>								
360,748	428,037	396,000	Transfer In General Fund I	117,500	117,500	<b>117,500</b>	-	Telecommunications reorganization
<u>360,748</u>	<u>428,037</u>	<u>396,000</u>	<b>Total Transfers In</b>	<u>117,500</u>	<u>117,500</u>	<u><b>117,500</b></u>		
<u>1,852,143</u>	<u>1,798,662</u>	<u>2,176,000</u>	<b>TOTAL RESOURCES</b>	<u>1,791,170</u>	<u>1,791,170</u>	<u><b>1,791,170</b></u>		
<b>REQUIREMENTS</b>								
<b>College Support Services</b>								
134,204	134,509	145,000	Employee WellNess	69,500	69,500	<b>69,500</b>	-	.5 FTE faculty reassignment
-	27,000	-	LaneStarter	-	-	-		
11,534	6,375	120,000	Motor Pool	30,000	30,000	<b>30,000</b>	-	Decreased activity
774,142	841,444	1,013,000	Printing & Graphics and Warehouse	995,000	995,000	<b>995,000</b>		
432,936	387,664	444,500	Telephone Services	245,000	245,000	<b>245,000</b>	-	Reorganization
<u>1,352,816</u>	<u>1,396,992</u>	<u>1,722,500</u>	<b>Total College Support Services</b>	<u>1,339,500</u>	<u>1,339,500</u>	<u><b>1,339,500</b></u>		
<b>Contingency</b>								
-	-	400,000	Projects/Provisions	401,670	401,670	<b>401,670</b>		
<u>-</u>	<u>-</u>	<u>400,000</u>	<b>Total Contingency</b>	<u>401,670</u>	<u>401,670</u>	<u><b>401,670</b></u>		
<b>Transfers Out:</b>								
2,594	-	3,500	To General Fund I	-	-	-	-	Telecommunications reorganization
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>74,276</u>	<u>-</u>	<u>53,500</u>	<b>Total Transfers Out</b>	<u>50,000</u>	<u>50,000</u>	<u><b>50,000</b></u>		
<u>1,427,092</u>	<u>1,396,992</u>	<u>2,176,000</u>	<b>TOTAL REQUIREMENTS</b>	<u>1,791,170</u>	<u>1,791,170</u>	<u><b>1,791,170</b></u>		
<u>425,051</u>	<u>401,669</u>	<u>-</u>	<b>ENDING FUND BALANCE</b>	<u>-</u>	<u>-</u>	<u>-</u>		
<b>SUMMARY</b>								
1,852,143	1,798,662	2,176,000	Total Resources	1,791,170	1,791,170	<b>1,791,170</b>		
<u>(1,427,092)</u>	<u>(1,396,992)</u>	<u>(2,176,000)</u>	Less: Total Requirements	<u>(1,791,170)</u>	<u>(1,791,170)</u>	<u><b>(1,791,170)</b></u>		
425,051	401,669	-	<b>RESOURCES OVER-(UNDER) EXPENDITURES</b>	-	-	-		

# Financial Aid Fund V

FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 BUDGET	Description of Resources and Requirements	FY 2017-18 PROPOSED	FY 2017-18 APPROVED	FY 2017-18 ADOPTED	+ -	Explanation of changes in budget of > 10%
<b>RESOURCES</b>								
2,149,509	2,633,759	725,000	Beginning Fund Balance	2,286,500	2,286,500	2,286,500	+	Budgeted at current projection level
3,622,265	3,420,695	4,425,000	State Support	6,900,000	6,900,000	6,900,000	+	Budgeted at current projection level
46,604,586	36,329,008	55,158,000	Federal Support	39,858,000	39,858,000	39,858,000	-	Budget consistent with enrollment and actuals
Other Sources:								
30,780	24,365	-	Administrative Recovery	-	-	-	-	
702,542	750,860	700,000	Other Fees & Charges	700,000	700,000	700,000	-	
2,463,708	2,346,644	2,440,000	Other Revenue	2,590,000	2,590,000	2,590,000	-	
<u>53,423,880</u>	<u>42,871,572</u>	<u>62,723,000</u>	<b>Total Revenues</b>	<u>50,048,000</u>	<u>50,048,000</u>	<u>50,048,000</u>		
Transfers In:								
187,397	-	-	Transfer In General Fund I	-	-	-	-	
-	-	-	Transfer In Administratively Restricted IX	-	-	-	-	
<u>187,397</u>	<u>-</u>	<u>-</u>	<b>Total Transfers In</b>	<u>-</u>	<u>-</u>	<u>-</u>		
<u>55,760,786</u>	<u>45,505,331</u>	<u>63,448,000</u>	<b>TOTAL RESOURCES</b>	<u>52,334,500</u>	<u>52,334,500</u>	<u>52,334,500</u>		
<b>REQUIREMENTS</b>								
<b>Financial Aid</b>								
<u>53,077,027</u>	<u>43,207,362</u>	<u>63,190,500</u>	Financial Aid	<u>50,315,500</u>	<u>50,315,500</u>	<u>50,315,500</u>	-	Budget consistent with enrollment and actuals
53,077,027	43,207,362	63,190,500	<b>Total Expenditures</b>	50,315,500	50,315,500	50,315,500		
Transfers Out:								
<u>50,000</u>	<u>225,379</u>	<u>50,000</u>	To General Fund I	<u>50,000</u>	<u>50,000</u>	<u>50,000</u>		
50,000	225,379	50,000	<b>Total Transfers Out</b>	50,000	50,000	50,000		
Contingency								
-	-	207,500	Projects/Provisions	1,969,000	1,969,000	1,969,000	+	Accounting change in budget authority
-	-	207,500	<b>Total Contingency</b>	1,969,000	1,969,000	1,969,000		
<u>53,127,027</u>	<u>43,432,741</u>	<u>63,448,000</u>	<b>TOTAL REQUIREMENTS</b>	<u>52,334,500</u>	<u>52,334,500</u>	<u>52,334,500</u>		
<u>2,633,759</u>	<u>2,072,590</u>	<u>-</u>	<b>ENDING FUND BALANCE</b>	<u>-</u>	<u>-</u>	<u>-</u>		
<b>SUMMARY</b>								
55,760,786	45,505,331	63,448,000	Total Resources	52,334,500	52,334,500	52,334,500		
(53,127,027)	(43,432,741)	(63,448,000)	Less: Total Requirements	(52,334,500)	(52,334,500)	(52,334,500)		
<u>2,633,759</u>	<u>2,072,590</u>	<u>-</u>	<b>RESOURCES OVER-(UNDER) EXPENDITURES</b>	<u>-</u>	<u>-</u>	<u>-</u>		

# Enterprise Fund VI

FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 BUDGET	Description of Resources and Requirements	FY 2017-18 PROPOSED	FY 2017-18 APPROVED	FY 2017-18 ADOPTED	+ -	Explanation of changes in budget of > 10%
<b>RESOURCES</b>								
8,574,298	7,731,770	8,000,000	Beginning Fund Balance	7,039,141	7,039,141	<b>7,039,141</b>	-	Budgeted at current projection
Tuition & Fees:								
2,094,179	2,427,741	2,350,000	Tuition	2,500,000	2,500,000	<b>2,500,000</b>		
1,161,048	700,783	932,000	Student Fees	734,000	734,000	<b>734,000</b>	-	Budgeted at current enrollment
6,442,931	5,507,618	10,130,000	Sale of Goods and Services	8,670,734	8,670,734	<b>8,670,734</b>	-	Budgeted at current enrollment
1,710,063	2,221,278	2,598,299	Downtown Housing Rents	2,098,000	2,098,000	<b>2,098,000</b>	-	Budgeted at current occupancy projections
1,444,011	1,671,470	394,200	Other Fees & Charges	385,000	385,000	<b>385,000</b>		
12,852,232	12,528,890	16,404,499	<b>Total Revenues</b>	14,387,734	14,387,734	<b>14,387,734</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>		
21,495,227	20,260,660	24,429,499	<b>TOTAL RESOURCES</b>	21,451,875	21,451,875	<b>21,451,875</b>		
<b>REQUIREMENTS</b>								
Instruction								
-	-	117,127	International Student Program	129,244	129,244	<b>129,244</b>	+	Salary and benefit increases
-	-	117,127	<b>Total Instruction</b>	129,244	129,244	<b>129,244</b>		
Student Services								
5,638,114	5,219,421	7,000,000	Bookstore	6,000,000	6,000,000	<b>6,000,000</b>	-	Budgeted at current enrollment projections
1,064,726	1,147,069	1,165,000	Downtown Housing	1,443,850	1,443,850	<b>1,443,850</b>	+	Increases in project mgt & subcontractor expense
1,793,294	1,315,416	1,529,000	Foodservices	1,229,360	1,229,360	<b>1,229,360</b>	-	Budgeted at current enrollment
1,041,586	1,545,449	1,600,000	Hospitality & Conference Services	1,441,374	1,441,374	<b>1,441,374</b>		
2,992,798	2,957,399	3,559,073	International Student Program	3,578,831	3,578,831	<b>3,578,831</b>		
12,530,518	12,184,754	14,853,073	<b>Total Student Services</b>	13,693,415	13,693,415	<b>13,693,415</b>		

Continued

**Enterprise Fund VI**

FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 BUDGET	Description of Resources and Requirements	FY 2017-18 PROPOSED	FY 2017-18 APPROVED	FY 2017-18 ADOPTED	+ -	Explanation of changes in budget of > 10%
<b>College Support Services</b>								
126,761	-	-	Laundry	-	-	-		
126,761	-	-	<b>Total College Support Services</b>	-	-	-		
<b>Contingency</b>								
-	-	7,987,799	Projects/Provisions	6,350,066	6,350,066	6,350,066	-	Budget based on current fund balance projection
-	-	7,987,799	<b>Total Contingency</b>	6,350,066	6,350,066	6,350,066		
<b>Transfers Out:</b>								
307,694	301,668	1,000	To General Fund I	-	-	-	-	- Accounting change in budget authority
776,442	735,097	1,470,500	To Debt Service Fund III	1,279,150	1,279,150	1,279,150	-	- Based on current debt service schedule
22,043	-	-	To Administratively Restricted Fund IX	-	-	-	-	
1,106,179	1,036,765	1,471,500	<b>Total Transfers Out</b>	1,279,150	1,279,150	1,279,150		
<b>TOTAL REQUIREMENTS</b>								
13,763,458	13,221,519	24,429,499		21,451,875	21,451,875	21,451,875		
7,731,770	7,039,141	-	<b>ENDING FUND BALANCE</b>	-	-	-		
<b>SUMMARY</b>								
21,495,227	20,260,660	24,429,499	Total Resources	21,451,875	21,451,875	21,451,875		
(13,763,458)	(13,221,519)	(24,429,499)	Less: Total Requirements	(21,451,875)	(21,451,875)	(21,451,875)		
7,731,770	7,039,141	-	<b>RESOURCES OVER-(UNDER) EXPENDITURES</b>	-	-	-		

# Special Revenue Fund VIII

FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 BUDGET	Description of Resources and Requirements	FY 2017-18 PROPOSED	FY 2017-18 APPROVED	FY 2017-18 ADOPTED	+ -	Explanation of changes in budget of > 10%
<b>RESOURCES</b>								
274,273	340,858	225,000	Beginning Fund Balance	225,000	225,000	<b>225,000</b>		
2,123,906	1,871,270	2,700,000	State Support	2,700,000	2,700,000	<b>2,700,000</b>		
5,192,830	4,544,420	6,507,000	Federal Support	6,507,000	6,507,000	<b>6,507,000</b>		
224,208	293,720	300,000	Local Support	300,000	300,000	<b>300,000</b>		
Tuition & Fees:								
22,581	-	50,000	Tuition	50,000	50,000	<b>50,000</b>		
52,604	62,420	75,000	Student Fees	75,000	75,000	<b>75,000</b>		
-	18,901	-	Other Fees	-	-			
10,516	14,030	20,000	Sale of Goods and Services	20,000	20,000	<b>20,000</b>		
<u>1,264,822</u>	<u>520,546</u>	<u>1,880,000</u>	Other Revenue	<u>1,880,000</u>	<u>1,880,000</u>	<u><b>1,880,000</b></u>		
<u>8,891,467</u>	<u>7,325,306</u>	<u>11,532,000</u>	<b>Total Revenues</b>	<u>11,532,000</u>	<u>11,532,000</u>	<u><b>11,532,000</b></u>		
<u>9,165,740</u>	<u>7,666,164</u>	<u>11,757,000</u>	<b>TOTAL RESOURCES</b>	<u>11,757,000</u>	<u>11,757,000</u>	<u><b>11,757,000</b></u>		
<b>REQUIREMENTS</b>								
<b>Funded Projects</b>								
3,138,672	2,275,059	4,932,880	Instruction	4,911,300	4,911,300	<b>4,911,300</b>		
36,003	1,494	54,200	Instructional Support	54,500	54,500	<b>54,500</b>		
643,610	678,795	1,018,840	Student Services	1,023,400	1,023,400	<b>1,023,400</b>		
5,003,693	4,377,099	5,692,880	Community Services	5,709,300	5,709,300	<b>5,709,300</b>		
<u>2,904</u>	<u>1,921</u>	<u>54,200</u>	College Support Services	<u>54,500</u>	<u>54,500</u>	<u><b>54,500</b></u>		
<u>8,824,882</u>	<u>7,334,368</u>	<u>11,753,000</u>	<b>Total Funded Projects</b>	<u>11,753,000</u>	<u>11,753,000</u>	<u><b>11,753,000</b></u>		
<b>Transfers Out:</b>								
-	-	4,000	To General Fund I	4,000	4,000	<b>4,000</b>		
<u>-</u>	<u>-</u>	<u>4,000</u>	<b>Total Transfers Out</b>	<u>4,000</u>	<u>4,000</u>	<u><b>4,000</b></u>		
<u>8,824,882</u>	<u>7,334,368</u>	<u>11,757,000</u>	<b>TOTAL REQUIREMENTS</b>	<u>11,757,000</u>	<u>11,757,000</u>	<u><b>11,757,000</b></u>		
<u>340,858</u>	<u>331,796</u>	<u>-</u>	<b>ENDING FUND BALANCE</b>	<u>-</u>	<u>-</u>	<u>-</u>		
<b>SUMMARY</b>								
9,165,740	7,666,164	11,757,000	Total Resources	11,757,000	11,757,000	<b>11,757,000</b>		
<u>(8,824,882)</u>	<u>(7,334,368)</u>	<u>(11,757,000)</u>	Less: Total Requirements	<u>(11,757,000)</u>	<u>(11,757,000)</u>	<u><b>(11,757,000)</b></u>		
340,858	331,796	-	<b>RESOURCES OVER-(UNDER) EXPENDITURES</b>	-	-	-		



## **PERSONNEL SERVICES**

### Contracted Personnel Budgets by Function

Instruction	FY 2018 Budget			FY 2017 Budget	FY 2016 Budget	
	*M	*F	*C			
Academic Learning Skills	4.50	0.50	3.00	1.00	6.25	7.00
Adult Basic & Secondary Education	11.00	0.50	7.00	3.50	11.50	12.50
Advanced Technologies	19.43	1.50	12.75	5.18	19.76	22.93
Art & Applied Design	10.03	1.00	8.03	1.00	12.03	13.54
Business & Computer Information Technology	15.00	1.00	12.00	2.00	15.83	15.00
Child & Family Education	1.71	-	1.71	-	2.71	2.71
Cooperative Education	7.82	1.00	5.82	1.00	9.87	10.37
Counseling	1.67	-	1.67	-	1.87	-
Culinary Arts & Hospitality	4.30	-	3.80	0.50	3.80	3.80
Energy Management Program	3.10	-	1.00	2.10	3.10	2.70
English as a Second Language	6.00	-	4.00	2.00	7.50	7.00
Extended Education	9.95	1.50	1.00	7.45	10.20	9.80
Flight Technology	5.00	0.50	2.00	2.50	4.00	3.50
Health & Physical Education	7.37	1.00	3.87	3.00	10.87	12.53
Health Professions	42.69	2.00	33.99	6.70	41.09	38.45
International Student Program	1.00	-	1.00	-	1.00	-
Lane Community College at Cottage Grove	0.86	-	-	0.86	2.22	1.97
Lane Community College at Florence	4.13	1.00	-	3.13	4.13	4.13
Language, Literature & Communication	27.75	1.00	24.75	2.00	27.54	28.64
Mathematics	22.23	1.00	17.00	4.23	22.78	24.08
Music/Dance/Theatre Arts	7.18	-	4.00	3.18	8.38	8.98
Science	22.80	1.00	15.00	6.80	24.30	22.80
Social Science	17.41	1.00	14.41	2.00	19.90	20.90
Specialized Support Services	8.00	1.00	-	7.00	8.02	10.13
Tutoring	0.75	-	0.75	-	-	-
<b>Total Instruction</b>	<b>261.69</b>	<b>16.50</b>	<b>178.55</b>	<b>67.13</b>	<b>278.65</b>	<b>283.46</b>
<b>Instructional Support</b>		<b>M</b>	<b>F</b>	<b>C</b>		
Academic & Student Affairs Office	9.00	5.00	1.00	3.00	8.50	9.65
Academic Technology	10.34	-	1.50	8.84	8.34	15.34
High School Connections	2.99	1.00	-	1.99	2.50	1.83
Information Technology	8.00	1.00	-	7.00	8.00	-
Library	11.00	1.00	3.00	7.00	11.60	11.86
Science	0.00	-	-	-	0.50	-
Special Instructional Projects	0.75	0.25	0.25	0.25	0.25	-
<b>Total Instructional Support</b>	<b>42.08</b>	<b>8.25</b>	<b>5.75</b>	<b>28.08</b>	<b>39.69</b>	<b>38.68</b>

Continued



**Contracted Personnel Budgets by Function**

	FY 2018 Budget			FY 2017 Budget	FY 2016 Budget	
	M	F	C			
<b>Student Services</b>						
Athletics	3.20	-	1.20	2.00	2.62	2.70
Center for Accessible Resources	5.50	0.50	1.00	4.00	3.50	6.00
Child & Family Education	7.32	0.85	-	6.47	8.02	10.18
Conference & Culinary Services	13.10	2.00	-	11.10	13.08	11.58
Counseling	24.33	1.00	6.33	17.00	25.93	29.38
Enrollment Services	16.00	3.00	-	13.00	14.80	16.75
Foodservices	4.90	1.00	-	3.90	4.59	9.07
Health Clinic	8.00	1.00	3.00	4.00	10.00	11.00
High School Connections	2.00	-	-	2.00	1.00	1.00
International Student Program	14.00	3.00	-	11.00	14.00	16.00
Institute for Sustainable Practices	0.70	-	-	0.70	0.70	-
Student Financial Services	15.00	1.00	-	14.00	17.00	17.83
Student Life & Leadership Development	5.00	1.00	3.00	1.00	5.00	5.00
Student Standards & Title IX	2.50	1.50	-	1.00	2.50	-
Titan Store	9.80	0.80	-	9.00	11.80	13.80
The Torch	0.00	-	-	-	0.67	0.67
Women's Programs	1.00	-	-	1.00	5.48	5.88
Workforce Development	2.86	-	1.00	1.86	3.50	-
<b>Total Student Services</b>	<b>135.21</b>	<b>16.65</b>	<b>15.53</b>	<b>103.03</b>	<b>144.19</b>	<b>156.84</b>
<b>Community Services</b>						
KLCC Administration	12.88	3.00	-	9.88	12.88	11.63
<b>Total Community Services</b>	<b>12.88</b>	<b>3.00</b>	<b>-</b>	<b>9.88</b>	<b>12.88</b>	<b>11.63</b>

Continued

**Contracted Personnel Budgets by Function**

	FY 2018 Budget	FY 2017 Budget			FY 2016 Budget
		M	F	C	
<b>College Support Services</b>					
College Finance	14.13	2.00	-	12.13	12.63
College Services	3.50	3.00	-	0.50	3.50
Curriculum & Scheduling	2.50	-	0.50	2.00	2.50
Employee Wellness	0.50	-	0.50	-	1.00
Human Resources	11.00	3.00	-	8.00	10.00
Infrastructure Technology	23.42	2.00	-	21.42	24.42
Institute for Sustainable Practices	3.00	-	-	3.00	3.03
Institutional Research, Assessment & Planning	4.50	1.00	1.50	2.00	4.50
Lane Community College Foundation	7.00	3.00	-	4.00	7.00
Library - Archives	0.50	-	-	0.50	0.50
Mail Services	2.00	-	-	2.00	1.00
Marketing & Public Relations	1.90	1.90	-	-	1.90
President's Office	7.00	4.00	-	3.00	7.00
Printing & Graphics and Warehouse	4.20	0.20	-	4.00	6.20
Public Safety	10.00	1.00	-	9.00	10.00
Telephone Services	1.00	-	-	1.00	1.00
<b>Total College Support Services</b>	<b>96.15</b>	<b>21.10</b>	<b>2.50</b>	<b>72.55</b>	<b>96.18</b>
<b>Plant Operations &amp; Maintenance</b>					
Facilities Administration	42.00	3.00	-	39.00	39.00
<b>Total Plant Operations &amp; Maintenance</b>	<b>42.00</b>	<b>3.00</b>	<b>-</b>	<b>39.00</b>	<b>42.75</b>
<b>Plant Additions</b>					
Project Management & Planning	0.00	-	-	-	1.69
<b>Total Plant Additions</b>	<b>0.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1.69</b>
<b>Total Contracted Personnel Budgets by Function - All Funds</b>					
	<b>590.01</b>	<b>68.50</b>	<b>202.33</b>	<b>319.67</b>	<b>612.28</b>

\*M=Management; F=Faculty; C=Classified



## **APPENDIX**

**A: BUDGET STRUCTURE & FUNCTION**

**B: FINANCIAL POLICIES**

**C: AFFIRMATIVE ACTION**

**D: LEGAL NOTIFICATION**

**E: 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 discretely presented component unit and is reported in a separate column in the basic financial statements. The budget document presents college information exclusive of Foundation data.

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

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

## **Funds**

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

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

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

### **Fund IX: Special Revenue – 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.

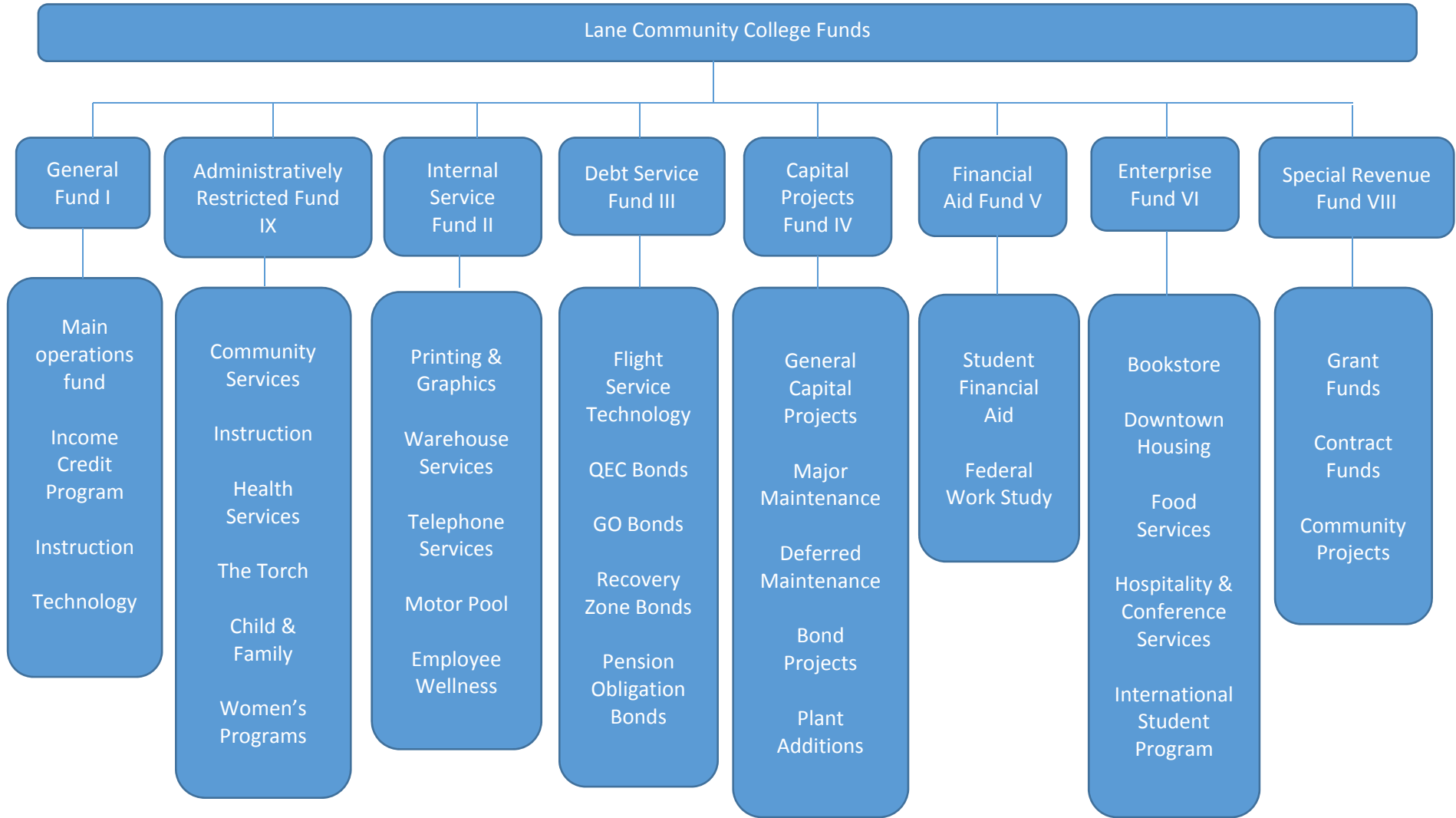
### **Fund VI: Enterprise Fund**

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 D.110. 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.

### **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, Food Services, 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 9 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, interest income and other nominal, one-time miscellaneous amounts. Budgeting is based on historical trend analysis.

## **Expense Functions**

### **Instruction**

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

### **Instructional Support**

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

### **Student Services**

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

### **Community Services**

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

### **College Support Services**

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

### **Plant Operations and Maintenance**

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

### **Plant Additions**

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

### **Financial Aid**

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

### **Contingency**

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



## **Expenditure Categories**

### **Personal Services**

Personal Services expenditures include all full-time and part-time payroll plus Other Payroll Expenses (OPE). Payroll is budgeted using actual position lists, and where possible, factors in any anticipated changes in collective bargaining agreements. OPE rates are budgeted using benefits cost projections including amounts for various employment-related taxes, health and life insurance premiums, retirement fund contributions, 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 BP250: Financial Integrity****Adopted 5.14.14; Last Reviewed/Revised 5.14.14**

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

**Policy BP255: Financial Condition and Activities****Adopted 11.09.98; Last Reviewed/Revised 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 12.9.13**

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 online Policies and Procedures.

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

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

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



**Policy BP290: Stabilization Reserve Fund****Adopted 1.14.04; Last Reviewed/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 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.
3. The standard for compliance shall be any reasonable presidential interpretation of the board policy being monitored.
4. 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 BP715: Mandatory Student Activity Fees***

***Adopted 11.9.98; Last Reviewed/Revised 2.3.16***

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

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

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

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

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

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

## **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

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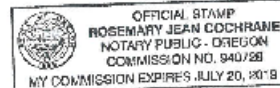
I, **Wendy Raz**, being first duly affirmed, depose and say that I am the Advertising Manager, or his principal clerk, of The Register-Guard, a newspaper of general circulation as defined in ORS 193.010 and 193.020; published at Eugene in the aforesaid county and state; that the **Notice of Budget Committee 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 issue:

April 19, 2017

**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, 2017 to June 30, 2018, will be held at 4000 E 30th Ave, Eugene OR 97405.  
The meeting will take place on Wednesday, April 19, 2017 at 2:30 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 citizens that appear at the meeting and discuss the proposed programs with the Budget Committee. The meeting for public comment will be on Wednesday May 3, 2017 at 5:30 p.m. here at 4000 E 30th Ave, Eugene OR 97405.  
A copy of the budget document may be inspected or obtained at or after Thursday, April 20, 2017 at 4000 E 30th Ave, Eugene, OR 97405, between the hours of 8:00 a.m. and 5:00 p.m.  
For Accessibility Accommodations  
To request the information in an alternate format (Braille, digital, audio or large print) please contact Center for Accessible Resources: (541) 403-2150 (voice) 711 (hearing) Building 2, 218; or Accessible@lccoregon.edu.  
No. 6913486 - April 19, 2017

Subscribed and affirmed to before me this April 19, 2017

Notary Public of Oregon



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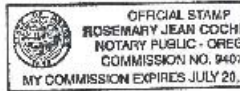
I, Wendy Raz, being first duly affirmed, depose and say that I am the Advertising Manager, or his principal clerk, of The Register-Guard, a newspaper of general circulation as defined in ORS 193.010 and 193.020, published at Eugene in the aforesaid county and state; that the Notice of Budget Hearing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

May 31, 2017

*Wendy Raz*

Subscribed and affirmed to before me this May 31, 2017

*Rosemary Jean Cochran*  
Notary Public of Oregon



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FORM 00-1 NOTICE OF BUDGET HEARING

A public meeting of the Lane Community College will be held on June 7, 2017 at 9:30 AM at 4000 E 20th Avenue, Eugene, Oregon. The purpose of this meeting is to discuss the final 2017-2018 year operating budget. A copy of the budget is attached below. A copy of the College Budget Committee, a summary of the budget is attached below. A copy of the budget may be inspected or obtained at 4000 E 20th Avenue, Eugene, Oregon 97408, between the hours of 9:00 AM and 5:00 PM, or online at [www.lccoregon.edu/budget](http://www.lccoregon.edu/budget). The budget is for the fiscal year 2017-2018. The budget was prepared on a basis of assumptions that are the same as the basis of accounting used during the preceding year. If different, the major changes are listed on the budget. For more information, contact Rose Ellis, Telephone: 541-455-3302, Email: [RoseEllis@lccoregon.edu](mailto:RoseEllis@lccoregon.edu)

FINANCIAL SUMMARY - RESOURCES	TOTAL OF ALL FUNDS		Approved Budget	Approved Budget
	Actual Last Year	This Year 2016-17		
Beginning Fund Balance	\$43,882,031	\$39,040,737	\$70,111,484	\$70,111,484
Current Year Receipts, other than Local Option Taxes	\$24,811,869	\$27,811,605	\$77,012,710	\$77,012,710
Local Option Taxes	\$13,621,731	\$16,842,776	\$48,282,240	\$48,282,240
Federal Grants	\$293,728	\$306,390	\$80,000	\$80,000
Other Receipts from Loans	\$42,317,571	\$32,292,394	\$36,744,076	\$36,744,076
Revenue from State Sources	\$4,033,132	\$11,770,818	\$46,359,038	\$46,359,038
Revenue from Federal Sources	\$6,591,284	\$1,624,257	\$4,546,588	\$4,546,588
Interest - Transfers	\$4,298,721	\$1,442,176	\$33,470,045	\$33,470,045
All Other Receipts	\$28,026,471	\$25,318,212	\$719,133,814	\$719,133,814
<b>Total Resources</b>	<b>\$140,085,728</b>	<b>\$144,765,388</b>	<b>\$1,419,740,706</b>	<b>\$1,419,740,706</b>
<b>FINANCIAL SUMMARY - REQUIREMENTS BY OBJECT CLASSIFICATION</b>				
Personnel Services	\$6,238,878	\$6,075,876	\$47,343,818	\$47,343,818
Materials & Services	\$4,212,055	\$4,189,500	\$69,305,044	\$69,305,044
Facilities and Capital Outlay	\$1,700,485	\$2,873,888	\$7,362,132	\$7,362,132
Capital Outlay	\$1,204,768	\$1,846,819	\$18,836,406	\$18,836,406
Food Service	\$6,792,664	\$4,698,557	\$4,536,879	\$4,536,879
Interfund Transfers	\$0	\$4,220,044	\$4,184,821	\$4,184,821
Operating Supplies	\$9	\$9	\$13,524	\$13,524
Unassigned / Unexp. Fund Balance & Reserves	\$0	\$0	\$219,155,214	\$219,155,214
<b>Total Requirements</b>	<b>\$22,954,899</b>	<b>\$22,954,899</b>	<b>\$1,419,740,706</b>	<b>\$1,419,740,706</b>
<b>FINANCIAL SUMMARY - REQUIREMENTS AND FULL-TIME EQUIVALENT EMPLOYEES (FTE) BY FUNCTION</b>				
Administration	\$4,825,784	\$5,418,879	\$55,127,064	\$55,127,064
FTE	282.46	316.67	266.47	266.47
Instructional Support	\$5,822,406	\$6,063,917	\$7,094,416	\$7,094,416
FTE	34.89	38.89	41.06	41.06
Student Services, other than Student Loans and Financial Aid	\$14,226,487	\$10,136,134	\$16,673,509	\$16,673,509
FTE	174.61	137.18	133.35	133.35
Student Loans and Financial Aid	\$43,807,352	\$63,156,088	\$50,425,844	\$50,425,844
FTE	17.23	17.16	15.61	15.61
Community Services	\$6,254,178	\$7,379,860	\$7,769,440	\$7,769,440
FTE	11.67	12.88	12.50	12.50
Support Serv. other than Facilities Acquisition	\$18,000,416	\$17,588,615	\$16,511,033	\$16,511,033
FTE	71.56	66.38	56.14	56.14
FTE	\$21,829,844	\$15,858,628	\$13,292,076	\$13,292,076
Facilities (Acquisition and Construction)	43.27	49.79	47.91	47.91
FTE	\$5,895,184	\$4,539,667	\$4,184,821	\$4,184,821
Interfund Transfers	\$39,528,591	\$13,642,414	\$13,816,993	\$13,816,993
Food Service	50	50	\$20,14,488	\$20,14,488
Operating Supplies	\$9	\$9	\$13,524	\$13,524
Unassigned / Unexp. Fund Balance and Reserves	\$0	\$0	\$219,155,214	\$219,155,214
<b>Total FTE</b>	<b>625.84</b>	<b>625.84</b>	<b>625.84</b>	<b>625.84</b>
<b>PROPERTY TAX LEVIES</b>				
	Rate or Amount	Rate or Amount	Rate or Amount	Rate or Amount
Proposed	Proposed	Proposed	Proposed	Proposed
Local VOTR	2015-16	2016-17	2017-18	2017-18
Permanent Rate Levy (per \$1,000)	0.6910	0.6910	0.6910	0.6910
Levy for General Obligation Bonds	6.24,000	7.000,000	7.000,000	7.000,000
<b>STATEMENT OF BOND INTERESTS</b>				
	Estimated Debt Outstanding July 1	Estimated Debt Outstanding July 1	Estimated Debt Outstanding July 1	Estimated Debt Outstanding July 1
General Obligation Bonds	\$97,040,000	\$97,040,000	\$97,040,000	\$97,040,000
Other Bonds	\$62,363,014	\$62,363,014	\$62,363,014	\$62,363,014
Other Borrowings	\$15,104,136	\$15,104,136	\$15,104,136	\$15,104,136
Total	\$174,507,150	\$174,507,150	\$174,507,150	\$174,507,150

To request this information in an alternate format (Braille, digital audio or large print), please contact Cathy Nolan, Accessibility Resources, OSU, 142-315B, Corvallis, OR 97331, 541-338-2100 or [AccessibilityResources@osu.edu](mailto:AccessibilityResources@osu.edu)

No. 6955303 - May 31, 2017

# Resolutions

LANE COMMUNITY COLLEGE  
4000 East 30<sup>th</sup> Avenue  
Eugene, Oregon 97405

Board of Education  
June 7, 2017

## RESOLUTION NO. 613

### Authorizing Budget Transfers for Fiscal Year 2016-2017

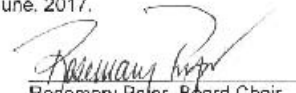
WHEREAS, actual expenditures may exceed the amounts originally estimated and appropriated within expense functions and object classifications for the 2016-2017 budget year; and,

WHEREAS, it is necessary to realign the original budget appropriations between expense functions and object classifications to reflect administrative decisions made during the fiscal year; and,

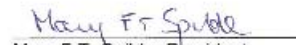
WHEREAS, the transfer of appropriations does not result in expenditure authority above amounts originally authorized; and,

NOW, THEREFORE BE IT RESOLVED that in accordance with ORS 294.450 the Budget Officer of Lane Community College is authorized and directed to make the necessary attached transfers.

Adopted by the Board of Education this 7<sup>th</sup> day of June, 2017.

  
Rosemary Pryor, Board Chair

ATTEST:

  
Mary F.T. Spilde, President



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

Board of Education  
June 7, 2017

**RESOLUTION NO. 614**

FISCAL YEAR 2017-2018 BUDGET ADOPTION AND APPROPRIATION

WHEREAS the Board of Education of the Lane Community College District has received and reviewed the fiscal year 2017-18 Budget as approved by the Budget Committee; and,

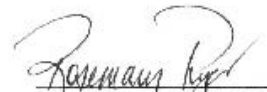
WHEREAS the Budget committee approved the budget in the aggregate amount of \$218,133,874 and that the permanent tax rate of \$.6191 per \$1,000 of assessed value be assessed in support of the General Fund;

WHEREAS it becomes necessary on July 1, 2017, for Lane Community College to lawfully make appropriations for funds for which it may initiate its instructional programs and meet its obligations;

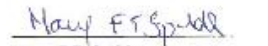
NOW, THEREFORE, BE IT RESOLVED that the Board of Education of Lane Community College does hereby adopt the budget approved by the Budget Committee for fiscal year 2017-2018 and appropriates the amounts on the attached schedule to be expended against all budgeted resources commencing July 1, 2017, and expiring June 30, 2018, 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<sup>th</sup>, 2017.

Adopted by the Board of Education on this 7<sup>th</sup> day of June, 2017.

  
Rosemary Pryor, Board Chair

ATTEST:

  
Mary E. Spilde  
College President/District Clerk

LANE COMMUNITY COLLEGE  
4000 East 30th Avenue  
Eugene, OR 97403

Board of Education  
June 7, 2017

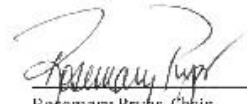
**RESOLUTION NO. 615  
IMPOSING AND CATEGORIZING TAXES FOR FISCAL YEAR 2017-2018**

BE IT RESOLVED that the board of Education of the Lane Community College District hereby imposes the taxes provided for in the fiscal year 2017-18 adopted budget at the rate of \$.6191 per \$1,000 of assessed value for operations and in the amount of \$7,528,000 for Bonded Debt; and that these taxes are hereby imposed and categorized for the tax year 2017-18 upon the assessed value of all taxable property within the district.

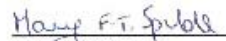
	Subject to the Education Limitation:	Exclude from the Limitation:
General Fund	\$\$.6191/\$1,000	
Debt Services Fund		\$7,528,000

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<sup>th</sup>, 2017.

Adopted by the Board of Education on this 7<sup>th</sup> day of June, 2017.

  
Rosemary Pryor, 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.

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

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

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

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

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

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

**Biennium:** A two-year [budget] period.

**Board Contingency:** General Fund contingency consisting of approximately one-half 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 a comprehensive financial plan for one fiscal year.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

**Executive Team:** The College’s administrative leadership team comprised of the president, vice president(s), chief officers and deans.

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

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

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

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

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

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

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

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

**Fund Type:** One of nine fund types: General, special revenue, debt service, capital projects, special assignment, enterprise, internal service, trust and reserve.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

**Requirement:** A use of funds or expenditure.

**Resolution:** An order of the Board of Education.

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

**Revenue:** Monies received or anticipated.

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

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

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



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

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

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

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

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

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

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

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

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

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

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

**Unit Plan:** In the development of short and long-term plans for the college, unit plans serve to provide details on the Strategic Plan at the unit level.

## Glossary of Acronyms

AAC&U	American Association of Colleges and Universities
AACC	American Association of Community Colleges
AAOT	Associate of Arts Oregon Transfer (degree)
AASHE	Association for the Advancement of Sustainability in Higher Education
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
ACRAO	American Association of Collegiate Registers
ACT	American College Test
AFT	American Federation of Teachers
APPA	Leadership in Educational Facilities
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
CCBO	Community College Business Officers
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
FASB	Financial Accounting Standards Board
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
GASB	Governmental Accounting Standards Board
GDP	Gross Domestic Product
GED	General Education Development
GF	General Fund
GFOA	Government Finance Officers Association
HEA	Higher Education Act
HEPI	Higher Education Price Index
ICS	Incident Command System
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
"L" #	Identifying number assigned to LCC staff and students.
LASR	Lane Administrative Systems Renewal (Project)
LCC	Lane Community College
LCCEA	LCC Education Association (Union - Classified)
LCCEF	LCC Employees Federation (Union - Faculty)

LEED	Leadership in and Environment Design
LGIP	Local Government Investment Pool
LIFE	Lasting Improvements For Employees (LCC's Employee Wellness Program)
LRFP	Long Range Financial Plan
LTD	Lane Transit District
NACUBO	National Association of College & University Business Officers
NEA	National Education Association
NWAACC	Northwest Athletic Association of Community Colleges
OAR	Oregon Administrative Rule
OATC	Oregon Advanced Technology Consortium
OCCA	Oregon Community College Association
OCC CIR	Oregon Community College Council of Institutional Researchers
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
ODOE	Oregon Department of Energy
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

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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
SCUP	Society for College and University Planning
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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