

**FY2016-FY2018 Projection Estimate**

November 16, 2016

State funding estimate updated

December 19, 2016

	FY2016 Actual Fund I & IX 10.8% CR decrease	11.16.16 Estimate FY2017 Funds I & IX 4% CR decrease	11.16.16 Projection FY2018 Funds I & IX 0% CR decrease	
<b>REVENUE</b>				
<b>Intergovernmental</b>				
State Funding	31,421,400	27,280,000	24,149,000	\$350K increase in FY16 estimate due to property tax factors.
Property Taxes	18,013,800	18,734,400	19,296,400	FY18 estimate based on \$550M biennial funding; 8.78% of allocation
	<b>49,435,200</b>	<b>46,014,400</b>	<b>43,445,400</b>	Estimated 4% increase FY16, 3% increase FY18
<b>Tuition &amp; Fees</b>				
Tuition	23,956,600	23,551,100	23,551,100	FY17 based on 4% credit decrease; FY18 based on 0% CR change and current tuition rate
Student Fees	6,472,300	7,650,200	7,650,200	Tech fee moved from Other Revenue FY17 forward
Other Fees & Charges	1,411,200	1,198,900	1,163,700	Revised bad debt calculation
	<b>31,840,100</b>	<b>32,400,200</b>	<b>32,365,000</b>	
<b>Other Revenue Sources</b>				
Administrative Recovery	1,889,700	1,875,000	1,875,000	Standard schedule
Gifts & Donations	1,139,500	1,156,700	1,156,700	
Interest Income	142,400	133,500	133,500	
Other Revenue	2,508,300	903,300	903,300	Tech fee moved to Student Fees FY17 forward
Sale of Goods & Services	3,158,500	3,297,400	3,297,400	
	<b>8,838,400</b>	<b>7,365,900</b>	<b>7,365,900</b>	
<b>Operating Transfers In</b>				
Transfers In	3,294,700	1,538,800	2,398,800	Reverse 1x FY16 transfers.
	<b>3,294,700</b>	<b>1,538,800</b>	<b>2,398,800</b>	FY18 includes \$860K transfer from PERS reserve fund
	<b>93,408,400</b>	<b>87,319,300</b>	<b>85,575,100</b>	
<b>EXPENDITURES</b>				
<b>Personnel</b>				
Personnel - Contracted	35,014,800	34,942,400	35,450,000	Based upon current position list, vacancy fill plan. Includes faculty bargaining provision. 3.5% swirl factor
Personnel - P/T	12,873,900	13,360,000	13,360,000	
OPE	26,862,600	27,440,000	28,624,800	Maintain rates at 64%, 38% with use of PERS reserve
	<b>74,751,300</b>	<b>75,742,400</b>	<b>77,434,800</b>	
<b>Other Expenditures</b>				
Materials & Services	12,305,800	12,809,200	12,959,200	Inflationary trend in mandatories
Capital Outlay	557,100	665,000	775,000	
Goods for Resale	715,900	715,900	715,900	
	<b>13,578,800</b>	<b>14,190,100</b>	<b>14,450,100</b>	
<b>Operating Transfers Out</b>				
Transfers Out	4,598,800	3,275,400	3,220,900	
Transfers Out - Fin. Aid.	-	-	-	
	<b>4,598,800</b>	<b>3,275,400</b>	<b>3,220,900</b>	
	<b>92,928,900</b>	<b>93,207,900</b>	<b>95,105,800</b>	
<b>Revenue Over/Under Expenditures (Change in Fund Balance)</b>	<b>479,500</b>	<b>(5,888,600)</b>	<b>(9,530,700)</b>	

PERS Reserve Draw Down

(860,000)

To offset rate increases and maintain current OPE rates

PERS Reserve Balance Remaining

4,675,938

## Department, Program and Discipline Budget Analysis at Lane

Enrollment, student success, staffing and financial data elements are accessible and applied in **annual department planning** (previously called unit planning), **program review**, and in **budget development**.

During spring and fall terms, as part of annual department planning, deans and directors review standard data elements with their faculty and staff to provide a progress report and goals for the coming academic year to their executive dean or vice president.

Over summer term, ASA and the budget office compile a comprehensive list of data elements for every academic program and discipline, to include employment data and net (revenue less expenses; direct and indirect) cost per FTE, which is shared with deans and directors.

Executive deans then engage in conversation with deans and directors to discuss data trends, issues and opportunities, and to add context to the data provided. Similarly, college services and student affairs deans and directors engage in conversations with their executives based on their department-specific data and indicators.

When the college faces program and service reductions due to budget shortfalls, the programs and services brought forward for consideration arise out of this iterative analysis. At this time, deeper program-specific research, data collection and analysis is done to ensure due diligence before actual reduction recommendations are presented.

## FY18 Budget Development Timeline

November	Department goals submitted Faculty position requests submitted Initial projections on current year and early look at FY18 State funding scenarios updated with prior year's enrollment
December	Budget Development Subcommittee convened (meets through April/May) Budget website populated with standard information requests Governor's budget released
January	Board budget worksession One-time funding requests submitted Budget Development Subcommittee reviews budget assumptions, levers, criteria and process Co-chairs budget released

## **FY18 Budget Development Timeline (continued)**

February	Board budget worksession/discussion item Planning projection for FY18 released Campus budget forum Part-time budget review Staff analysis of possible reduction options and balancing scenarios Present possible reduction options to Board, unions and campus community
March	Board budget worksession/discussion item Projection update
April	Board budget worksession/discussion item Projection update Proposed budget prepared
May	Budget Committee meetings commence Budget Development Subcommittee presents recommendations to Budget Committee
June	Board budget adoption

## Budget Principles, Criteria and Data Elements

The budget principles, criteria and data elements presented on the following pages are part of Lane's Long-Range Financial plan. They are used regularly by departments, programs and services to inform planning and budgeting at the unit level. In addition they are used by committees allocating resources such as student technology fee and Perkins grants. In the event of budget or program reductions these elements will inform those decisions.

### Data Elements

#### INSTRUCTIONAL PROGRAMS

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

#### STUDENT SERVICES

Criteria	Data Element
Enhances Student Engagement	Number of service contracts Number of unduplicated participants Demographics of individuals served Other evidence of enhancing engagement
Enhances Student Learning	Enhanced student persistence Enhances one or more CCSSE benchmarks Other evidence of enhancing learning
Enhances Student Satisfaction	ACT Satisfaction data CCSSE satisfaction data Other evidence of enhancing satisfaction
Requirement for Service	Essential to completing a business process with students Essential to an effective educational experience Legally mandated

## Data Elements (continued)

### STUDENT SERVICES (continued)

Criteria	Data Element
Uses resources efficiently	<p>Comparison of faculty/staff to student ratios to national association standards and best practices.</p> <p>Develop appropriate institutional benchmarks</p> <p>Demand/capacity analysis (i.e., waitlists, complaints about access, etc.)</p> <p>Total general fund budget</p> <p>Budget from other sources (i.e., student fees, grants, etc.)</p> <p>Other evidence of efficient use of resources</p>

### COLLEGE SERVICES

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

## **Budget Principles & Criteria**

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

### General principles:

1. Budgets will focus on furthering the college mission
2. Budgets must meet legal, contractual, accreditation obligation
3. Budgets must meet board policies and involve as much input from the college community as possible
4. Benchmark to best practices while recognizing intentional variations between Lane and national norms.
5. Using data and objective criteria in planning and resource allocation.
6. Maximize investment in technology or streamlined work processes that will save resources.

### Prioritizing principles:

1. Budget planning will be guided by the college strategic plan, unit plans, council plans and other planning efforts
2. Maximize revenue generation balanced with accessibility and affordability
3. Support student enrollment, retention, success, and learning, while minimizing negative impact of budget constraints on quality of student services, instruction and college infrastructure
4. Invest in new activities that maximize future revenue
5. Maintain existing facilities and equipment well and upgrade as needed
6. Maintain ability to respond to community needs
7. Avoid involuntary layoffs of permanent employees

### Additional considerations:

Availability of the program or service elsewhere

## **Budget Balancing Levers**

The Budget Development Subcommittee of College Council has begun its work and will be meeting regularly throughout winter term. In addition to discussing and reviewing projection assumptions, the committee develops a list of potential balancing levers.

Following is a list of balancing levers the subcommittee has considered in prior years.

### **Revenue Levers**

- Tuition
- Student Fees
- Administrative Recovery
- Entrepreneurial Activities
- Targeted expansion of programs
- Optimizing revenues from facilities

### **Expense Levers**

- Early separation incentive
- Vacancies
- Efficiencies & restructuring
- Classified, faculty & management contracted positions
- Classified, faculty & management part-time reductions
- Materials & services
- Capital outlay
- Major maintenance
- Program & service reductions
- Outsourcing

### **Other Considerations**

- Personnel cost adjustments
- Fund balance/reserve funds

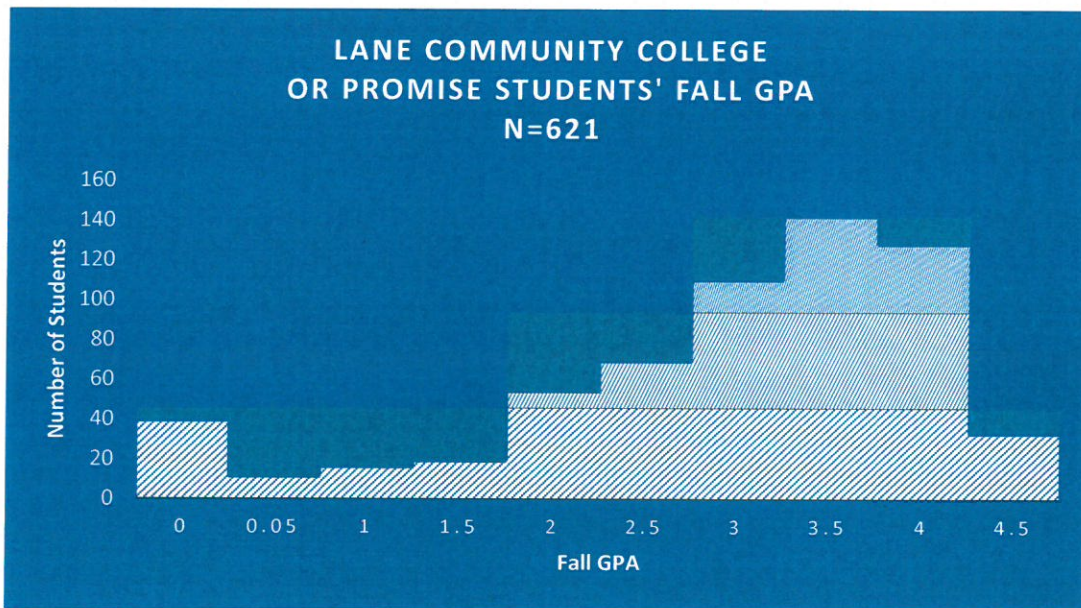
## Budgeting for Student Success

The Strategic Enrollment Management Plan, adopted in June 2015, and the Student Affairs Redesign Plan, adopted in June 2016, outlined specific strategies and required resources to support enrollment, retention and student success objectives. These strategies have been included in the general fund budget.

In addition to the approved plans, student affairs staff are exploring options and required resources for replicating Oregon Promise supports for all students, as they have proven highly successful for the first cohort of Oregon Promise students at Lane.

### Oregon Promise First Term Outcomes:

- Student headcount for Fall was 620 and decreased to 570 for Winter
- Fall to winter persistence rate was 91.94% compared to a similar group in fall of 2015 where the persistence rate was 76.93.
- Fall term average credits = 9.38 credits passed / 12.51 attempted = 74.09% completion rate with an average GPA of 2.49



- Total aid awarded: \$771,435
  - Fall: \$411,513
  - Winter: \$359,922



- Oregon Promise Aid Breakdown:

Range

EFC* Range	% of Cohort	
\$ 0	27%	Pell Eligible
\$ 1,00-5,815	27%	
\$ 5,816-10,220	13%	
\$ 10,200-above	34%	

\*Expected Family Contribution

Disbursement Amount:

EFC* Range	Fall Term	Winter Term	Total
\$ 0	\$43,804	\$39,828	\$83,632
\$ 1,00-5,815	\$73,706	\$62,168	\$135,874
\$ 5,816-10,220	\$77,165	\$70,195	\$147,360
\$ 10,200-above	\$218,495	\$189,953	\$408,448

- We would like to begin adding new cohorts to the First Year Experience Program starting in Fall of 2017 if additional funding is available.