

Finance Council

Meeting Notes from January 18, 2005

ATTENDANCE:

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|--------------------------------------------------|--------------------------------------------------|
| <input checked="" type="checkbox"/> BOB BALDWIN | <input checked="" type="checkbox"/> MARIE MATSEN |
| <input checked="" type="checkbox"/> STAN BARKER | <input type="checkbox"/> JEREMY RIEL |
| <input type="checkbox"/> DENNIS CARR | <input checked="" type="checkbox"/> JIM SALT |
| <input type="checkbox"/> SONYA CHRISTIAN | <input checked="" type="checkbox"/> KIRSA WHEDON |
| <input checked="" type="checkbox"/> CHRIS CULVER | |
| <input checked="" type="checkbox"/> DAVE KEEBLER | |
| <input checked="" type="checkbox"/> RYAN KOCH | |

Notetaker: Terry Caron

OUTCOMES:

1. The 1/18/05 agenda was revised to include Finance Council Work Plan. Transparent Budget Update to be moved to another meeting.
2. Notes remain Draft. Jim Salt to provide notes from the College Council agenda item.
3. No action taken.

4. a) Bob Baldwin will invite Craig Taylor to the next FC meeting to discuss enrollment projections, the connection between increase costs and enrollment decline, and

DISCUSSION:

Handout: Budget Projections FY04 through FY08

1. Agenda Review

2. Review notes from prior meeting – January 4, 2005.

3. Update on Budgeting Situation

Marie Matsen informed FC of the following:

- The Board was presented with the budget projections at their last meeting. The Board will be using the two-year, \$396M community college appropriation projection, which is approximately \$11M less than what the colleges received during the last biennium.
- Lane received approx. 14% of state funding last year and it is projected to received 10-11% of the community college funding this year.
- The PERS increase may also be twice more than initially proposed. Mary Spilde presented these budget projections at an All-Staff meeting last week and told staff that the college would not plan on any comprehensive recurring reductions or significant revenue enhancements next year.
- The College Council Budget Subcommittee will begin the process of budget development and review for FY06-07 early this year.
- Property taxes and enrollment factors will be considered heavily in the funding formula.
- The State Board of Education, which makes all final funding formula decisions, are considering two top priorities as they consider allocations to community colleges: Access and Equity.

What can Finance Council do with budget development short term/long term?

Marie said that Finance Council's participation will be relevant in any FY07 changes to Budget policy (and Long Range Financial Planning), ex. Tuition policy, if we are looking at an enrollment-driven funding formula.

4. Tuition-based Model and Differential Tuition Polices (Discussion)

- Continue to distinguish between the scope of responsibilities of FC and College Councils' Budget Subcommittee.
- Consider factors like optimum goal for the size of college. What is our true capacity for serving students?

OUTCOMES:	DISCUSSION:
<p>any marketing surveys he has developed for the college or could possibly develop for FC.</p> <p>b) Marie and Dave Keebler will look at differential pricing and tuition base analyses and report back to FC.</p> <p>c) Marie and Kay will attempt to retrieve some older files on programs costs and fees.</p> <p>d) FC will review different tuition models</p> <p>5. No action taken.</p> <p>6. a) FC to review all Financial Policies and the Long-range Financial Plan.</p> <p>b) Marie and Terry to prepare outline of the Council's Work Plan for FY05.</p> <p>c) FC to review and prioritize the plan.</p>	<ul style="list-style-type: none"> • What are the funding needs from state, tuition, property taxes? How many students should be optimally serve? • How do we optimize productivity of staff? How do we develop true measurements of productivity? • Offering differential pricing during different time of the day. <p>Tuition Models (Discussion)</p> <ul style="list-style-type: none"> • Have Community Colleges exceeded ability to increase tuition? We are still within 50-60% of UO's tuition. • What is the connection between increased costs and enrollment decline? • Create incentives for tiering tuition. Offer discounts for classes at odd hours. • Reduce rate for over 12 credits. • Pricing all programs relative to costs. • Reintroduce a form of senior discount • Get summary of differential tuition models across state higher ed. <p>5. College Council Report Jim Salt reported that College Council plans on its Budget Subcommittee to take the lead in developing short term plans to balance next year's budget and to develop a method for resolving the budget deficit for FY07.</p> <p>6. Finance Council's Work Plan Marie said that the Council has yet to develop its work plan to be presented to College Council. She offered some areas for work, both general and specific, for this year:</p> <ul style="list-style-type: none"> • The tuition policy be comprehensively reviewed • Analysis of budget projections and understanding the structural components of the model • Capacity analysis of enrollment • Overall look at budget and financial policies • Review of the Long-range Financial Plan • Transparent Budget review • Target appropriate amount of budget to be spent on Instruction • Make recommendation to the President on FY07 Budget Assumptions. <p>7. Proposed Agenda for next meeting:</p> <ul style="list-style-type: none"> • Prioritize Financial Council's Work Plan • Enrollment data and materials (Craig Taylor) <p>Adjournment: Finance Council adjourned at 3:45PM. NEXT MEETING: FC will meet on February 1, 2-4PM, Bldg. #3, Room 216.</p>