

Southwestern Oregon Community College

Board Clerk: Judith Hansen
Campus Contact: Deb Nicholls (541) 888-7400, dnicholls@socc.edu

“Southwestern leads and inspires lifelong learning.”

Board of Education

Budget Committee Meeting

Monday, May 12, 2008, 6:00 p.m.





Southwestern Oregon Community College

Board Clerk: Judith Hansen
Campus Contact: Deb Nicholls (541) 888-7400, dnicholls@socc.edu

Board of Education Meeting – Budget Committee

Tioga Hall, Room 505, 1988 Newmark Ave., Coos Bay, Oregon
Monday, May 12, 2008, 6:00 p.m.

AGENDA

Action Items

1. CALL TO ORDER
Chair Anderson
2. BUDGET COMMITTEE MEMBERS/OFFICERS
 - A. Oaths of Office
 1. Doug Fletcher
 2. Mike Gaudette
 3. Timm Slater
 - B. Nomination of Officers
 1. Chair
 2. Vice-Chair
3. AGENDA CHANGES
4. CONSENT AGENDA
 - A. Minutes
 1. May 14, 2007 -Budget Committee Meeting
5. 2007-08 RECOMMENDED BUDGET
 - A. Budget Message from President Hansen
 - B. Budget Analysis
 - C. 2008-09 Recommended Budget
6. PUBLIC COMMENT
7. BUDGET COMMITTEE RECOMMENDATION
 - A. Approval of Recommended Budget; OR
 - B. Adjourn to Second Meeting
8. CORRESPONDENCE
 - A. 2008-09 Budget Committee Roster
9. ADJOURNMENT
Chair



Board policy states that requests must be made by contacting the Clerk of the Board at least seven working days prior to the scheduled meeting. Requests for additions by visitors attending a meeting will be allowed by an affirmative vote of the majority of the Board Members. Time allocations will be at the discretion of the Board Chair.

It is the policy of the Board of Education to adjourn the meeting within three hours of the start unless a motion to continue the meeting is made and approved by a majority vote of the members present.

Date May 12, 2008

Southwestern Oregon Community College District Budget Committee

I, **Doug Fletcher**, do solemnly swear that I will support the Constitution of the United States, the Constitution of the State of Oregon and the laws thereof, and the policies of the Southwestern Oregon Community College District. During my term, I will faithfully and impartially perform the duties of the Office of College Budget Committee member to the best of my abilities.

Signed: Doug Fletcher

State of Oregon
County of Coos

Subscribed and sworn to me this 12th Day of May 2008.

D Nicholls, Notary, State of Oregon
Commission Expires: November 3, 2011

Date May 12, 2008

Southwestern Oregon Community College District Budget Committee

I, **Mike Gaudette**, do solemnly swear that I will support the Constitution of the United States, the Constitution of the State of Oregon and the laws thereof, and the policies of the Southwestern Oregon Community College District. During my term, I will faithfully and impartially perform the duties of the Office of College Budget Committee member to the best of my abilities.

Signed: Mike Gaudette

State of Oregon
County of Coos

Subscribed and sworn to me this 12th Day of May 2008.

D Nicholls, Notary, State of Oregon
Commission Expires: November 3, 2011

Date May 12, 2008

Southwestern Oregon Community College District Budget Committee

I, **Timm Slater**, do solemnly swear that I will support the Constitution of the United States, the Constitution of the State of Oregon and the laws thereof, and the policies of the Southwestern Oregon Community College District. During my term, I will faithfully and impartially perform the duties of the Office of College Budget Committee member to the best of my abilities.

Signed: Timm Slater

State of Oregon
County of Coos

Subscribed and sworn to me this 12th Day of May 2008.

D Nicholls, Notary, State of Oregon
Commission Expires: November 3, 2011

Date May 12, 2008
Approved YES__ NO__
Motion # _____

SOUTHWESTERN OREGON COMMUNITY COLLEGE
Board of Education – Budget Committee
Meeting Minutes
May 14, 2007

**CALL TO
ORDER**

Board of Education Chair Marcia Jensen called the meeting to order at 6:03 p.m. Members of the Budget Committee met in Tioga Hall, Room 505. Due and proper public meeting notice was provided.

ATTENDANCE

Board of Education (quorum present)

Marcia Jensen (Board Chair)
Harry Abel
Lonny Anderson
David Bridgham
Cherie Mitchell

Carol Oelke

Absent:
Charlie Vincent

Budget Committee (quorum present)

Kathy Rosencrantz
(Budget Committee Chair)
Doug Fletcher
Kathleen Mickelson
Donna Nichols

Tim Salisbury
Timm Slater

Absent:
Ron Opitz

Staff

Judith Hansen
Robin Bunnell
Joe Colo
Kat Flores
Sheldon Meyer

Deb Nicholls (Recording Secretary)
Ron Olson
Rick Osborn
Stephen Schoonmaker
Bill Yates

**BUDGET COMMITTEE
MEMBERS/OFFICERS**

OATHS OF OFFICE

Chair Jensen administered Oath's of Office to Rosencrantz and Salisbury.

Kathy Rosencrantz

Kathy Rosencrantz promised to support the Constitution of the United States, the Constitution of the State of Oregon and the policies of the Southwestern Oregon Community College District during her term as a member of the Budget Committee.

Tim Salisbury

Tim Salisbury promised to support the Constitution of the United States, the Constitution of the State of Oregon and the policies of the Southwestern Oregon Community College District during his term as a member of the Budget Committee.

OFFICERS

Budget Committee Chair

Bdgt M05/07-1

Timm Slater’s motion to “*nominate Kathy Rosencrantz, Budget Committee Chair,*” was seconded by Doug Fletcher. Upon call for the vote, the **MOTION PASSED.**

Budget Committee Vice-Chair

Bdgt M05/07-2

Harry Abel’s motion to “*nominating Doug Fletcher, Budget Committee Vice-Chair,*” was seconded by Timm Slater. Upon call for the vote, the **MOTION PASSED.**

AGENDA CHANGES

No changes were noted.

CONSENT AGENDA

Bdgt M05/07-3

Marcia Jensen’s motion to “*approve the Consent Agenda, as presented,*” was seconded by Harry Abel. Upon call of the vote, the **MOTION PASSED.**

BE IT RESOLVED, that the Board of Education and Budget Committee of Southwestern Oregon Community College District reviewed and approved the Budget Committee meetings minutes dated May 8, 2006.

2007-08 RECOMMENDED BUDGET

Budget Message from President Hansen

President Hansen briefed the Committee on her Budget message. Revised pages 2, 314 and 315, and a Change Analysis Summary for FY07-08 were distributed.

Discussion occurred on the recent sale of bonds, the Title III Grant and the PERS reserve. Joe Colo explained the Revenue Allocations to the Budget Committee.

PUBLIC COMMENTS

Chair Rosencrantz called for public comment. Hearing no comments, Chair Rosencrantz moved to the approval of the budget.

APPROVAL OF RECOMMENDED BUDGET

Approval of 2007-08 Budget Document

The Budget Committee is required by the Oregon Revised Statutes, OAR 294.406 to approve a budget for the College. The Committee must allow time for the required publications and the Board of Education to hold required public hearings before adopting the budget. The Board of Education must adopt the budget prior to July 1.

Bdgt M05/07-4

Doug Fletcher’s motion for the “*Budget Committee of Southwestern Oregon Community College District to approve the Recommended FY 2007-2008 General, Auxiliary, Financial Aid, Trust and Agency, Special Projects, Plant, Enterprise, Insurance Reserve, Debt Service Fund, and Internal Service Fund budgets at a tax rate of \$.7017 per \$1,000 assessed valuation, as presented by the Budget Officer,*” was seconded by Marcia Jensen. Upon call for the vote, the **MOTION PASSED.**

The Budget Committee requested a preference for a briefer document in the future with more explanation where any changes from the previous year are made.

ADJOURNMENT

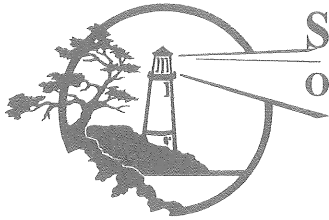
No further business was presented and the meeting was adjourned at 7:15 p.m.

Respectfully submitted,

Kathy Rosencrantz, Budget Committee Chair

Judith ML Hansen, Clerk

Deb Nicholls, Recording Secretary



SOUTHWESTERN
Oregon Community College
www.socc.edu

Office of the President
541 888-7400 FAX 541 888-3258
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May 5, 2008

Dear Southwestern Oregon Community College Budget Committee,

Two documents are enclosed for your preparation for our Budget Committee Meeting Monday, May 12, 2008: 2008-2009 Recommended Budget Detail and the 2008-2009 Recommended Budget, with summaries for each of the cost centers as requested at the 2007 Budget Committee Meeting. New projects that may be supported by alternative revenues have continued to come to the college through budget preparation. We will distribute at the Budget Committee Meeting a more comprehensive list of Special Projects for the Special Projects Fund, which requires designated revenues.

The balanced Southwestern Oregon Community College 2008-2009 budget presented to you for consideration and recommendation to our Board of Education reflects collaborative planning, strategy prioritization and synthesis of community need key for effective use of the public resources upon which our college is built.

Budget planning began again this year with Strategic Planning. In response to the 2007 Budget Committee recommendations to assure ties between the Southwestern Oregon Community College Strategic Plan and the budget proposed for 2008-2009, the 2008-2011 Strategic Plan, approved by the Board of Education on April 28, identifies priority college strategies and budget accounts for the new fiscal year. The three-year Strategic Plan also includes initiatives identified through the year-long Master Planning process with college architects. Please note that no Master Plan initiative is included in the 2008-2009 budget due to limited revenues.

The balanced 2008-2009 budget represents a conservative budget development philosophy, based on receipt of fewer revenues than projected for the 2007-2008 fiscal year, cost of living increases for full time employees and continued anticipated enrollment growth with lagging revenues to support that growth.

Revenue Background

The following revenue assumptions lead to budget development:

Federal: Flat, or no, revenue change is projected over 2008-2009.

State: A revenue decrease is budgeted from the state, based on state payment schedules received for 2008-2009. State revenues are distributed based on a formula that averages the last three years of enrollments for the college in a block grant that provides diminishing credit hour support for the larger community colleges in the state. Therefore, state support for each student credit hour diminishes for Southwestern as our enrollment increases.

District: Increased property tax revenues from Curry, Coos and Western Douglas Counties, which comprise our college district, are projected based on the maximum statutory property tax increase and modest increases in new construction.

Student: A 5% increase in student enrollment revenues is projected based on strong enrollment figures for 2007-2008, increased application numbers for Fall 2008 compared to Fall 2007 and continued tuition and fees freeze voted by the Board of Education, which provides competitive college costs.

Other: Total revenues from other sources are projected to decrease from the 2007-2008 budget. The projected decrease is based on 'Other' revenues that were not received as budgeted for the previous year, 2007-2008. The 2008-2009 Southwestern budget is based on conservative revenue projections.

Expenditure Background

College growth is anticipated with budgeted expenditures more accurately reflecting historic requirements in the proposed 2008-2009 budget. With decreased revenue projections, the 2008-2009 expenditures include cost of living increases for full time employees, decreases in operational expenditures and continuation for all existing academic programs.

Instructional Programming and Services: Decreased projected revenues have forced reduction in new program growth. Only new programs with alternative or collaborative support are included in the Special Projects Fund. General Fund expenditures for equipment and supplies have been stripped to uncomfortable levels. However, all existing academic programs are retained.

Facilities: Only necessary renovation and repair, including a delayed new heating and ventilation system for Dellwood Hall, not working since March, are included in the budget. The unexpected heating and ventilation unit replacement for Empire Hall in January, 2007, and resulting significant over-expenditure of the Plant Fund, also forced the college to budget conservatively this year as our forty-year-old college facilities age. The facilities audit conducted with College Architects for the Master Plan projected over \$2,000,000 in renovation needs which are not in the budget due to the tight revenue picture.

Personnel: Full-time employee cost of living increases are included in the presented budget. In light of potential college health insurance vendor change, due to new legislation, increases in health insurance benefits are unknown, forcing a conservative contingency budget.

A full operational budget accompanies the distribution of the proposed published budget, to assist in Budget Committee member preparation. The proposed budget document presented to the 2008-2009 Southwestern Oregon Community College Budget Committee includes the revenues and departmental expenditures by fund required by the State of Oregon, as requested at the 2007-2008 Budget Committee Meeting.

Sincerely,

Judith M.L. Hansen, Ph.D.
President

**SOUTHWESTERN OREGON COMMUNITY COLLEGE
BOARD OF EDUCATION
Budget Committee
2008-09**

Kathleen Mickelson
PO Box 1323
Gold Beach, OR 97444
Home: 247-6974

Term Expires: 06/30/08

Doug Fletcher
93412 Sherry Barbie Ln.
North Bend, OR 97459
Home: 759-3967
Work: 269-5616

Term Expires: 06/30/10

Mike Gaudette
440 14th Ave.
Coos Bay, OR 97420
Home: 267-2632

Term Expires: 06/30/10

Ron Opitz
91541 Cape Arago Hwy
Coos Bay, OR 97420
Home: 888-5422
Work: 266-9753

Term Expires: 06/30/08

Kathy Rosencrantz
1520 Barham Terrace
Coos Bay, OR 97420
Home: 269-9024

Term Expires: 06/30/09

Tim Salisbury
2880 14th St.
North Bend, OR 97459
Home: 756-1894
Work: 269-8130

Term Expires: 06/30/09

Timm Slater
1731 14th St.
North Bend, OR 97459
Home: 756-2625

Term Expires: 06/30/10

**The following
documents were
added at the
05-12-08 Budget
meeting:**

**Southwestern Oregon Community College District
Budget Committee**

Prepared by: Dr. Sheldon Meyer, Vice President of Administrative Services

ACTION UNDER CONSIDERATION

Budget Committee approval of the 2008-2009 Budget for the Southwestern Oregon Community College District and recommendation of the 2008-2009 Budget to the Southwestern Oregon Community College Board of Education.

DISCUSSION / HISTORY

The Budget Committee is required by the Oregon Revised Statutes (ORS 294.406) to consider and approve a budget for the College before the new fiscal year beginning July 1, 2008. This resolution for the Recommended Budget authorizes the Budget Committee to approve the FY 2008-2009 budget as recommended by the College Administration and Expanded Faculty Budget and Planning Committee.

TIMING

The Budget Committee must approve the budget in order to allow time for required publications, public hearings, and Board of Education adoption of the budget scheduled for May 19, 2008.

RECOMMENDATION

BE IT RESOLVED that the Budget Committee of Southwestern Oregon Community College District approves the Recommended FY2008-2009 General, Auxiliary, Financial Aid, Trust and Agency, Special Projects, Plant, Enterprise, Insurance Reserve, Debt Service Fund, and Internal Service Fund budgets. The budget includes a tax rate of \$.7017 per \$1,000 assessed valuation, unchanged from previous years.

ADDED

SPECIAL PROJECTS FUND ADDENDA*
ANTICIPATED GRANTS, CONTRACTS AND SPECIAL PROJECTS

FY 2008-2009

Accounting Program Operations
Athletic Training Operations
Beacon Program Operations
Business Programs Operations
Classified Position/Instructional Offices
Computer Technology Program Operations
Criminal Justice Faculty Position
Criminal Justice Program Operations
Instructional Leadership Positions/Operations
Early Childhood Program Operations
Electronics Program Operations
EMT Faculty Position
EMT Program Operations
Engineering Program Operations
English Program Operations
Facilities Scheduler Position
Family Center Program Operations
Fire Science Faculty Position
Fitness Program Operations
Foreign Language Program Operations
General to Career Tech Programming Operations
Human Services Program Operations
Manufacturing Tech Program Operations
Natural Resources Program
Nursing Program Operations
Office Occupations Program Operations
Programmer Specialist Position
Physics Program Operations
Southwester Program Operations
Speech Program Operations
Turf/Landscape Program Operations

* This list expands the printed 'Anticipated Grants, Contracts and Special Projects' on page 69 of the Recommended Budget. The Special Projects Fund provides capacity for projects for which revenues specific to the project are identified for project implementation. The Fund allows capacity for these and other projects with identified funding to be pursued throughout the year.

**SOUTHWESTERN OREGON COMMUNITY COLLEGE
FY08-09 BUDGET by FUND**

No.	Fund	Amount	As a percent of total
10	General Fund	18,333,335	29.4%
21	Auxiliary Fund	0	0.0%
23	Financial Aid Fund	3,436,000	5.5%
64	Trust & Agency Fund	360,000	0.6%
25	Special Projects Fund	10,465,447	16.8%
36	Plant Fund	20,280,000	32.5%
57	Enterprise Fund	6,533,816	10.5%
29	Insurance Reserve Fund	454,000	0.7%
41	Debt Service Fund	2,014,200	3.2%
53	Internal Service Fund	575,566	0.9%
	Total	62,452,364	100.0%

**SOUTHWESTERN OREGON COMMUNITY COLLEGE
SUMMARY OF FY08-09 GENERAL FUND BUDGET ANALYSIS**

	Amount of Increase/ Decrease from FY07-08 Budget	Percentage of Increase/ Decrease from FY07-08 Budget	As a percent of General Fund total Resources
<u>General Fund Resources:</u>			
State funding	-\$191,775	-2.2%	48.91%
Federal support	\$16,500	66.0%	0.24%
Local taxes	\$127,017	2.9%	25.92%
Tuition & fees (net of waivers)	\$102,166	2.5%	17.76%
Other revenue	-\$385,648	-48.4%	2.35%
Contingency	\$346,775	69.4%	4.83%
Net increase	\$15,035		
Revenue allocations to other Funds	-\$729,500		
Total change in General Fund revenue	\$744,535		

General Fund Requirements:

Student Activities & Athletics -\$58,518

Auxiliary Fund incorporated into the General Fund

Revenue allocations to other Funds -\$713,401

"Oregon Budget Law recommends that local governments maintain only those funds required to meet legal and operating requirements. Unnecessary funds complicate budgets".

Tuition Waivers, Grants, & Scholarships \$179,084
Increased to cover actual expenditures and improve access to higher education.

Plant Maintenance \$150,000
Reflects increasing maintenance requirements.

Contingency \$346,775
Contingency expense equals contingency revenue.

**SOUTHWESTERN OREGON COMMUNITY COLLEGE
SUMMARY OF FY08-09 GENERAL FUND BUDGET ANALYSIS**

Amount of
Increase/
Decrease from
FY07-08
Budget

Budget items consolidated in the Office of Instruction budget:

Part-time Faculty -\$77,354

The Part-time Faculty budget amount was reduced to \$870,000. This amount is higher than the actual expenditures for part-time faculty in any of the past three years.

Full-time Faculty Overloads \$43,216

Full-time Faculty Overloads budget amount was increased to \$80,000 to more accurately represent actual expense.

Full-time Faculty Summer -\$19,711

The Full-time Faculty Summer budget amount was reduced to \$140,000. This amount is higher than the actual expenditures for full-time faculty summer in any of the past three years.

Part-time Faculty Summer \$12,508

The Part-time Faculty Summer budget amount was increased to \$107,500. This amount is higher than the actual expenditures for full-time faculty summer in any of the past three years.

Instruction & Student Services -

Materials & Services budget -\$199,209

The materials & services budget amount was decreased to \$807,601. This amount is \$32,000 less than the highest actual expenditures for materials & services in the past three years.