

**Minutes of Board of Education Meeting
January 17, 2018, 6:00 p.m.
Albany Campus, Boardroom**

Board of Education members in attendance

Jim Merryman (*Chair*), Barry Broadbent (*Vice Chair*), Dick Running, Keith Frome, Randy Camp, Shelly Garrett, Linda Modrell

Staff and Representatives in attendance

Greg Hamann, Ann Buchele, Bruce Clemetsen, Dave Henderson, Kevin Mahoney (*Classified*), Miranda Dudzik, (*Part-Time Faculty*), Cindy Falk (*Faculty*), Brian Ixthluahic (*Student Leadership*), Amanda Kliever

Guests: Jess Jacobs, LBCC Budget Committee members: Mark McNabb, Patrick Malone, Joan Reukauf, Tom Oliver

The regular meeting was called to order at 6:00pm,

CHANGES TO THE AGENDA – None

CITIZEN COMMENTS – Chris Ruderman of Albany is a full-time faculty member in the Business Technology Department. He wanted to thank President Hamann, Dave Henderson, Scott Rolen, and Kathy Withrow for their work on getting Resolution 12-18 in front of the Board of Education. This resolution establishes another option for retirement savings for employees. Provides significantly lower management fees, gives the ability to assert more control over his investments and a range of thousands of additional investment choices. He hopes he can retire at 67 rather than 77 now!

INTRODUCTIONS – LBCC Budget Committee: Mark McNabb, Patrick Malone, Joan Reukauf, Tom Oliver

CHAIR COMMENTS – Chair Merryman thanked the Budget Committee for attending the meeting. It is the first budget discussion of the year and provides the framework for the upcoming year's budget. The Board feels it's important for the Committee to be involved in the process and he is thankful to them for offering more of their volunteer time to be here.

GENERATIVE ACTIVITY

President Hamann started by thanking Ann Buchele for being the key instigator for all the great changes that have happened in the Boardroom! It will soon be possible to attend remotely with video, should a Board member be out of town. He also expressed that as an institution, we don't proclaim as loudly as we should the amazing things we do here. The way we represent ourselves on our campus is a part of that.

The Strategic Plan was included in the agenda again to remind the Board of the relationship between our plan and our budget. Many institutions build their budget and then decide what they can do within those parameters. We have a mission-driven budget model. We decide what investments we need to make to fulfill our mission, then build our budget around that need.

Mr. Henderson reminded the Board and Budget Committee that our budget process is an ongoing, continuous process. The Board will be asked to approve the 2018-19 Budget Calendar, setting the future Budget Committee meetings where they budget will be approved. He also let everyone know that in December, they held the first Budget Committee orientation, so they are up to speed and ready to hear tonight's presentation.

Jess Jacobs started the presentation by providing a handout that showed a snapshot of where the budget left off last June, as a reminder of where they left off after the budget was approved (May 2017).

Jess showed the current projections showing the variables that affect the budget. We have added the 21-23 biennium, so we essentially have a 5 ½ year outlook. There are no changes in major revenue, expense, personnel, and services, perf packages, str. Investments, and capital project operating costs. A new category is Operational Efficiencies, which identifies area we can be more efficient.

Focusing on the bottom line numbers, the current year and the next aren't too far off from the original projections. 19-20 and beyond are when we will see how these variables will affect us. This year, we are focusing on the 18-19 budget year and the General Fund and working toward the Board directed 10% ending fund balance (reserves). Some variables that have shifted are enrollment, tuition, PERS and state aid.

Enrollment is down, which was expected with a strong economy and low unemployment. International enrollment is down 25% over the prior fall. This has a deeper impact on the budget as international tuition is about 3 times the in-state tuition rate.

We are working to implement small, incremental tuition increases every year to avoid inconsistent swings in tuition. Comparing LBCC to the other 17 Oregon Community Colleges, we were 7th in terms of tuition and fees. Some schools have a low tuition rate but very high fees, making their total tuition rate higher. Moving forward with the projected 4.5% tuition increase, our placement within the other schools may shift a little, but they will certainly be making tuition decisions as well, so our place isn't yet known.

The college recently received the PERS advisory rates for the 2019-2021 biennium. These rates showed a substantial, but expected increase with one additional adjustment. The rates of OPSRP employees, who are traditionally less expensive than Tier 1 employees, saw a dramatically higher increase (73%) than Tier 1 employees. Because of this, beginning in that biennium, the cost structure for personnel costs has taken on a sharper, upward trajectory.

State Aid is another area that has varied. Since our enrollment hasn't declined as much as the other community colleges, our "piece of the pie" has actually gone up slightly. We expect this trend to continue for the next couple of years. Community colleges statewide are lobbying the state legislature for an additional \$32 million for the Community College Support Fund. We feel like we are on strong footing to make this request due to the way we do our budget forecasting. President Hamann believes our model gives the legislature a real, concrete reasons why we need the additional funding. The other schools are intrigued and asking to learn how we do our budgets. We are taking our budget model to the other colleges to strengthen the community college position with the legislature.

Chair Merryman asked what influence the Board has on the state. This is where our Oregon Community College Association representatives become very important. President Hamann said the Board of Education and student voices are very powerful in issues like this. Budget Committee member, Pat Malone, thinks LB is on the right track.

Dr. Frome asked the other Board members what their position was on Strategic Investments, Capital Projects, and Performance Packages. He sees those as “optional” expenditures. Chair Merryman said if we don’t invest in those areas, we are not living up to our mission.

Mr. Jacobs assured the Board that the 2018-19 budget is secure, it’s further down the road that these variables will impact us. President Hamann reminded everyone that there is no decision tonight. There is still a lot of work to do on the budget. This is a guide for finishing what will be presented to the Board and the Budget Committee in May.

STRATEGIC ACTIVITY

- 1) Board Representative Reports
 - a) **OCCA** – Ms. Modrell reported the last OCCA meeting was mostly focused on lobbying issues.
- 2) Campus Representative Reports
 - a) **SLC**, Brian had nothing more to add.
 - b) **Faculty**, Cindy had nothing more to add.
 - c) **Classified**, Kevin reported that he was recently able to attend a Laserfiche (document management software) conference, thanks to the Business Department and Professional Development funds.
 - d) **Part-Time Faculty**, Miranda said she is happy to be able to attend Board meetings this term.
- 3) Approval of 2018-19 Budget Calendar – **Ms. Garrett moved to accept the 2018-19 Budget Calendar. Mr. Running seconded. Motion to approve the 2018-19 Budget Calendar passed unanimously. (7,0)**

FIDUCIARY ACTIVITY

- 1) Consent Agenda – **Mr. Running moved to approve the Consent Agenda. Mr. Broadbent seconded. Motion to approve the Consent Agenda passed unanimously. (7,0)**
- 2) Board Policies

Mr. Rolen let the Board know that these policies have been reviewed by College Council and they have given their full support for these policies as proposed. Dr. Frome requested to pull Board Policies 6115, 6125 and 6140 from the group for questions. Scott Rolen answered all of his questions to his satisfaction. Board Policy 6115 will have one edit, to delete the words, “and applicable collective bargaining agreements...” under the Management/Exempt and Confidential Employees heading. That group does not have a collective bargaining agreement.

Mr. Broadbent moved to approve all Board Policies as proposed. Mr. Running seconded. Motion to approve all Board Policies as proposed passed unanimously. (7,0)
- 3) Administrative Reports
 - a) **President’s Report** – President Hamann hopes everyone clicked on all of the links provided in his January report. It was a fun report to write, highlighting all of the good media coverage we’ve enjoyed this year.
 - b) **Advancement** – Mr. Stowell wanted to let the Board know that he will be thinking of them every third Wednesday of the month, from Palm Springs. He thanked the Board for what they do. Mr. Running responded by thanking Mr. Stowell for the significant contributions he’s made to LBCC in the years he’s been here.
 - c) **Academic Affairs and Workforce Development** – Dr. Buchele said that she is excited to share the progress made on Guided Pathways at the February Board meeting.
 - d) **Student Affairs** – Dr. Clemetsen was happy to report that Admissions now has 11 Learn & Earn students working in the department, helping their fellow students. The purpose of moving towards hiring

students in these positions, is to give them valuable job experience and to help them be successful in their future endeavors.

He also shared that the Civil Discourse article in the DH has been posted in an online newsletter from the Heterodox Academy, a national academic entity promoting free expression and civil discourse, right under Stanford's Civil Discourse Club!

Last, Carol Raymundo attended the Consumer Electronics Show in Las Vegas with her husband, who was there for work. Carol was looking at technologies for students with disabilities and CNET (electronics journal) interviewed her about how Google Alexa and Amazon Echo are becoming great tools for students. She is featured in the CNET article, talking about how LBCC is looking at these tools for our students.

- e) **Finance and Operations** – Mr. Henderson wanted to add an update on the Benton Center project. The Corvallis school district is working on moving First Student, they have completed the initial transportation plan, and First Student is on board with the plan. Both LBCC and First student will have a part in the conversation with the Corvallis Planning Commission this summer.

Adjourned to Executive Session at 7:36pm

Returned to Regular Session at 7:58pm

BOARD COMMENTS –

Dr. Frome announced that his 9th grandchild was recently born!

Adjourned Regular Session at 7:59PM