



Budget Preparation FY21

Presented October 14, 2019

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Budget Principles

Although it may affect programs and operations, our 2020-21 budget will:

1. Ensure the college's strategic priorities and mission is fulfilled.

- *Goal 1: Cultivate a healthy and efficient institutional culture.*
- *Goal 2: Deliver high quality, relevant education opportunities through innovative and specialized academic programming.*
- *Goal 3: Support student success from recruitment through program progression, completion of programs, and transfer or entry to the workforce.*
- *Goal 4: Enhance integration of the College with the community.*





Budget Principles (Cont'd)

2. Consider investment and reduction decisions through the college values of:

- Knowledge
- Sense of Community
- Integrity
- Improvement and innovation





Budget Principles (Cont'd)

3. Maintain the following:
 - Student success, enrollment and retention
 - Staffing and services at sufficient levels to protect the college's operations and ensure compliance with regulations and laws
 - Sufficient fund balance to help limit current and future risks that could jeopardize the future of the college
 - Provide the flexibility to take advantage of opportunities
 - Maintain a balanced operating budget to ensure the long-term fiscal health of the college





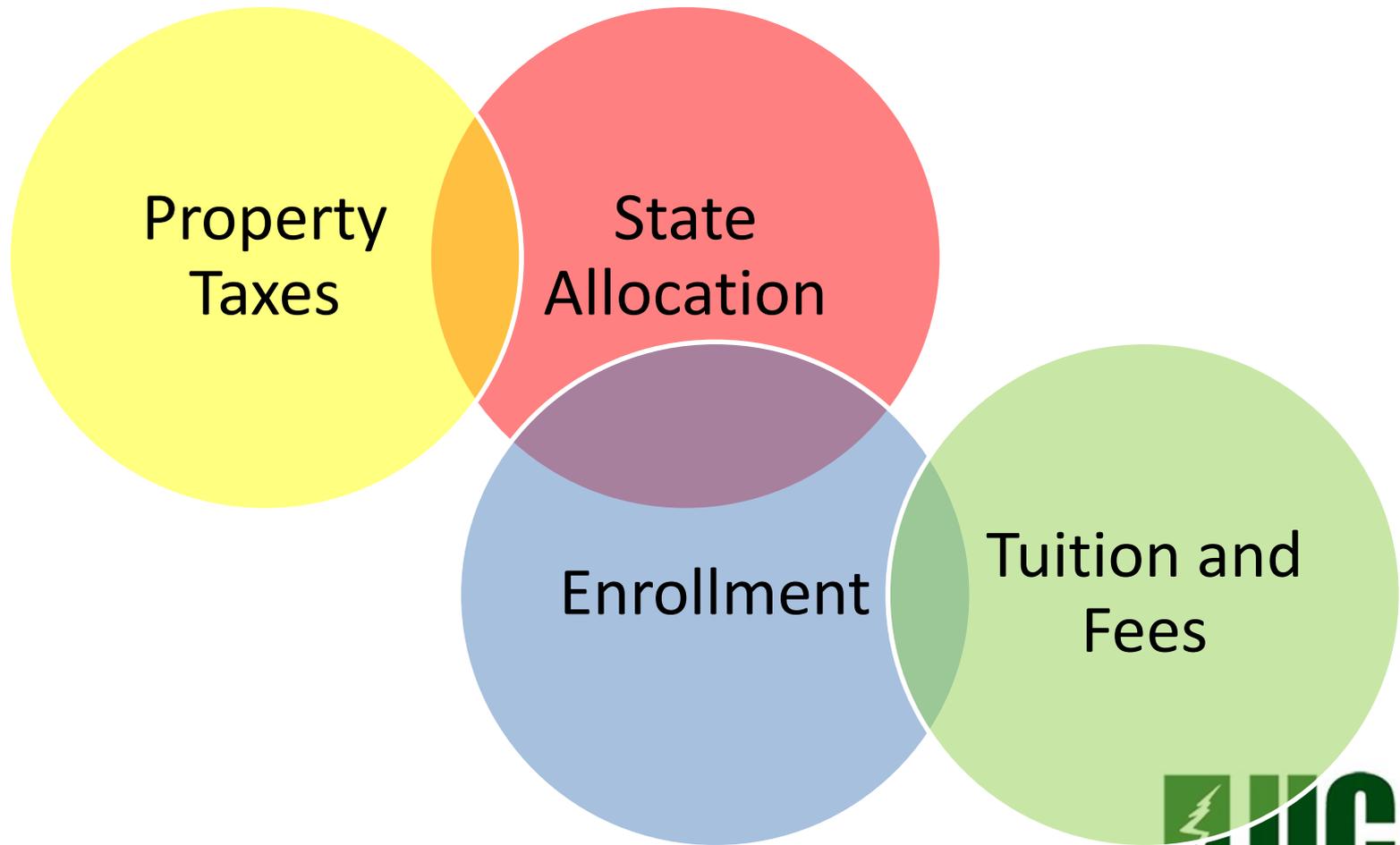
Budget Principles (Cont'd)

4. Invest in initiatives, strategies, programs and operations that will positively impact student completion and success.
5. Seek cost-sharing and revenue-producing opportunities that support our mission and strategic priorities such as grants, partnerships, self-support ventures and foundation assistance that may boost operations.



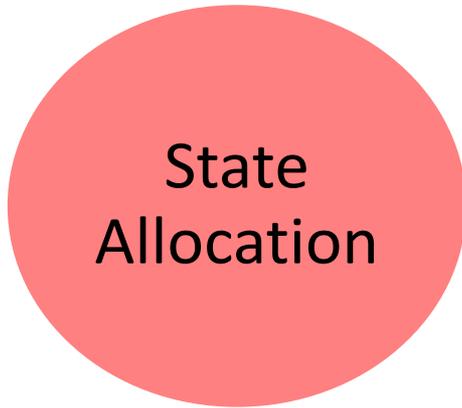
Financial Environment: Resources

General Fund





State Allocation



- The legislative appropriation for the 2019-21 biennium was determined during the February to June 2019 legislative session at \$640.9M funding level, short of \$647 million current service level ask. For UCC, State allocation for FY21 is estimated at \$12,968,138 subject to enrollment and property taxes fluctuations. State allocation is the largest resource in General fund.





Tuition and Fees

- For fiscal year 2020, the college estimates 3% increase in tuition, resulting in \$3.00 per credit tuition increase and \$1.00 per credit increase in instructional fee. The estimated increase is proposed to maintain the current service level of operations and will be presented for the Board of Education discussion in December. Other recommendations for tuition and fee consideration might be coming to the Board of Education discussion in December 2019.

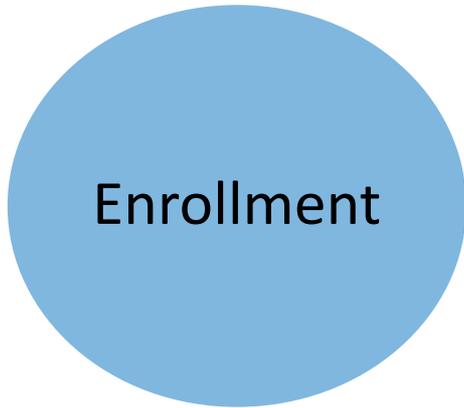
Tuition
and Fees



Enrollment



- For FY19, reimbursable FTE declined 3% compared to FY18.
- Enrollment will impact budgeting scenarios.



Property Taxes



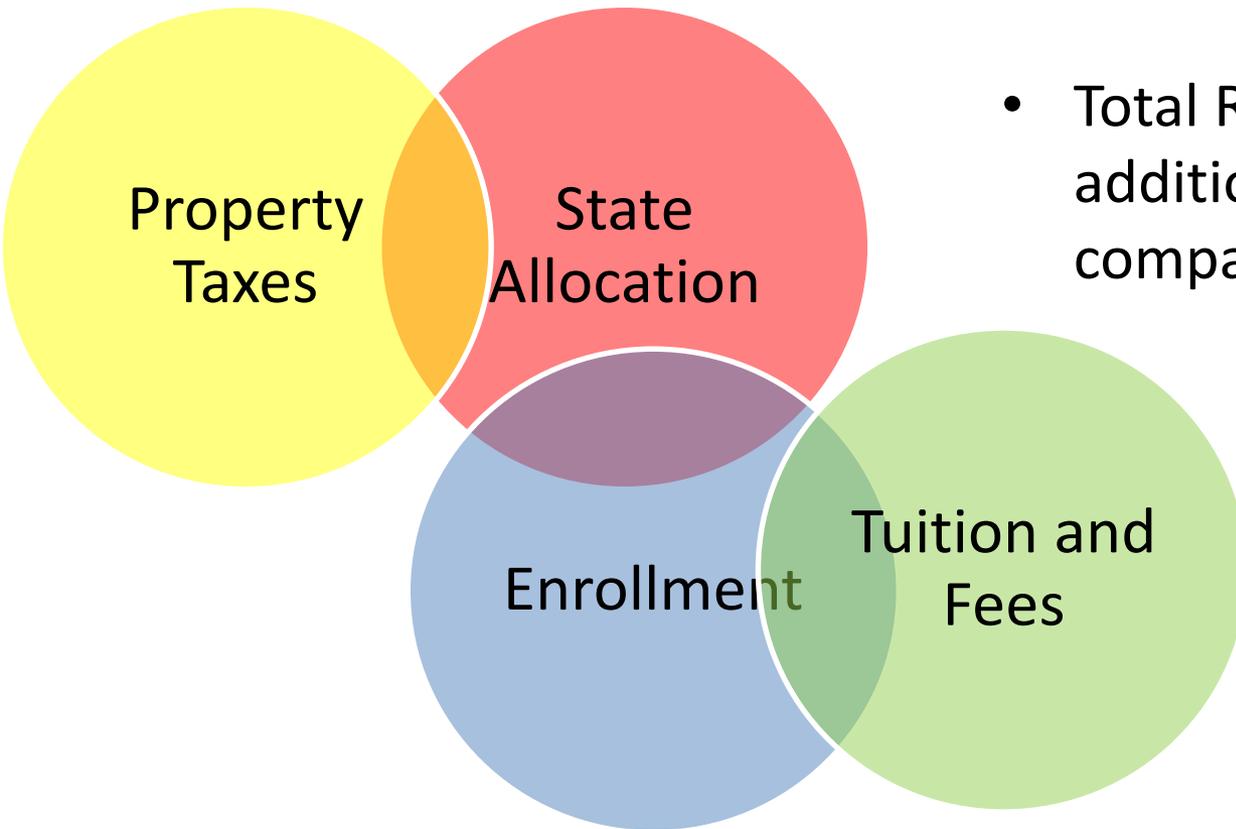
- We are projecting a conservative 2% increase in property taxes based on historical information (increase of \$75K)

Property
taxes



Financial Environment: Resources –

General Fund



- Total Resources result in additional \$455K for FY21 compared to FY20





General Fund Expenses

- Personnel costs comprise approximately 83% of the college's general fund expenditures, and changes in compensation and benefits directly impact budgeting scenarios.
- Wage inflation as well as unfunded mandates like Oregon minimum wage increase and House Bill 2005 pertaining to pay equity may further impact costs. Our estimates are based on current CBAs without further increases. Increase in labor is estimated at roughly \$480,000 from FY20 to FY21
- The college's two highest cost benefits, Public Employee Retirement System (PERS) and health care costs, are main drivers for the fringe benefit increases. PERS rates increased between 1.6 % to 2.09% between Tier1/2 and OPSRB.





General Fund Budget FY21

As stewards of public funds, while preparing budgets for FY21, we ask the campus to concentrate on finding efficiencies as resources will continue to be tight.





Budget Timeline & Communication

- October 11: Budget worksheets sent to all level I
- October 14 – **November 3**: Level I budget development
- November 4 – **November 24**: Level II budget development (at this time – level II needs to communicate with level I the budgets that were sent to level III)
- November 25 – **December 15**: Level III budget development (at this time – level III needs to communicate with level II the budgets that are submitted. Level II then communicates the information to level I)
- All budget due to budget department by end of day December 15. NO EXTENSIONS
- First draft of budget to SLT for review by **January 8**





Detailed Budget Development

- In the notes section, explain expenditures. Identify software, subscriptions, contracted services, instructional supplies, required travel (where are you going and what are you attending), etc. and add approximate cost for each. Provide hourly wage, hours per week and number of weeks for student, part time classified and classified overtime labor.
- Instructional budget submissions must include the Faculty Labor spreadsheet as well.
- Additional Resource Request form





Self-Sustaining & Enterprise Budgets

- Should be spent as the fee intended
- Course fees: Instructional supplies, field/student trips including instructor/chaperone travel, software, consumables, equipment, fees, accreditation, instructor certifications, instructor travel for required/strongly recommended trainings, etc.
- Conference/Training fees: All of the expenses associated with the events should come from the same budget that the revenue is posted in

