

Budget Forums Update

Board work session-December 10, 2015

Agenda

- Background information.
- Revenue budget.
- Expenditure budget.
- Budget timing and key change since adoption.
- Tuition considerations.
- Student Feedback

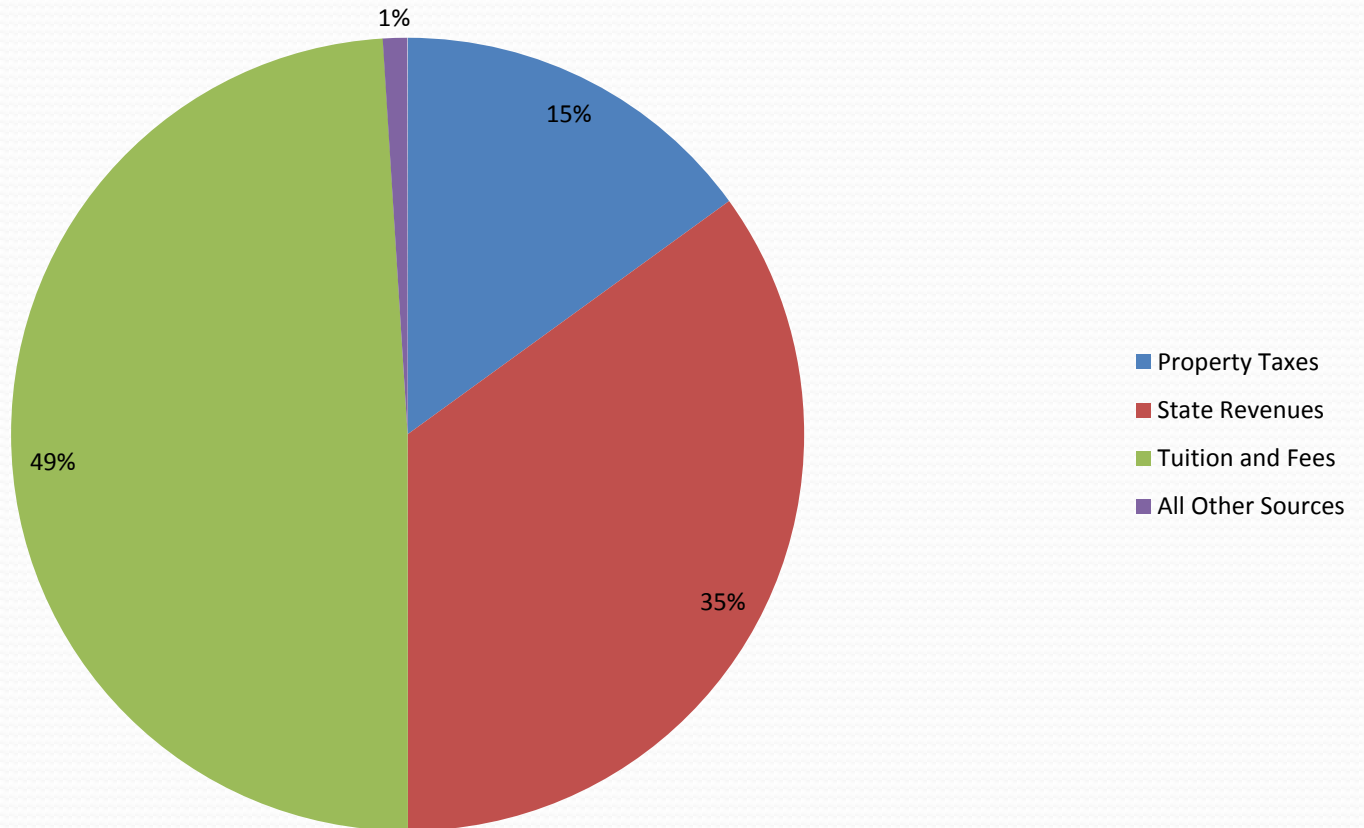
Background Information

- February 19, 2015-Board Resolution 15-085 approved increase for resident students at \$4 per credit hour for 2015-16 and \$3. per credit for 2016-17. \$5 increase for non-resident (including international) students approved for 2016-17. Decision on \$120 per student per term for international students was deferred.
- Due to student concerns about lack of communication and the unfairness of the international fee increase additional information was presented and student input received at a forum and at the March and April Board meetings.

Background Information

- At the April 16, 2015 Board meeting the Board approved resolution 15-102 increasing the tuition rate for non-resident students by \$4 for credit hour for 2015-16 in lieu of approving the international student fee.
- Per credit hour rates currently stand at \$96 for resident students and \$224 for non-resident students.
- The Board has continued to express an interest in a tuition rate rollback in the second year of the biennium due to increased state funding support.

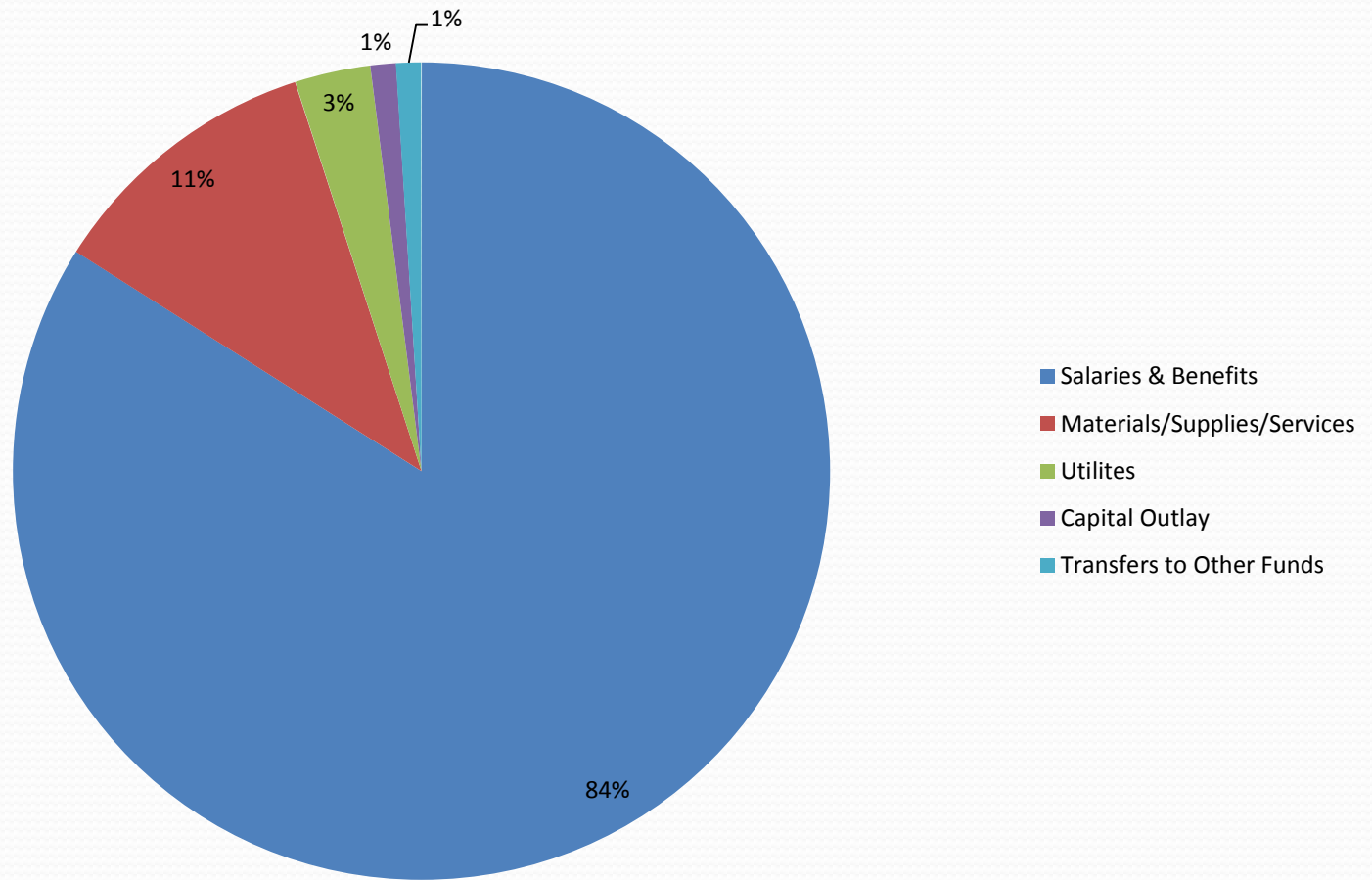
General Fund Revenues



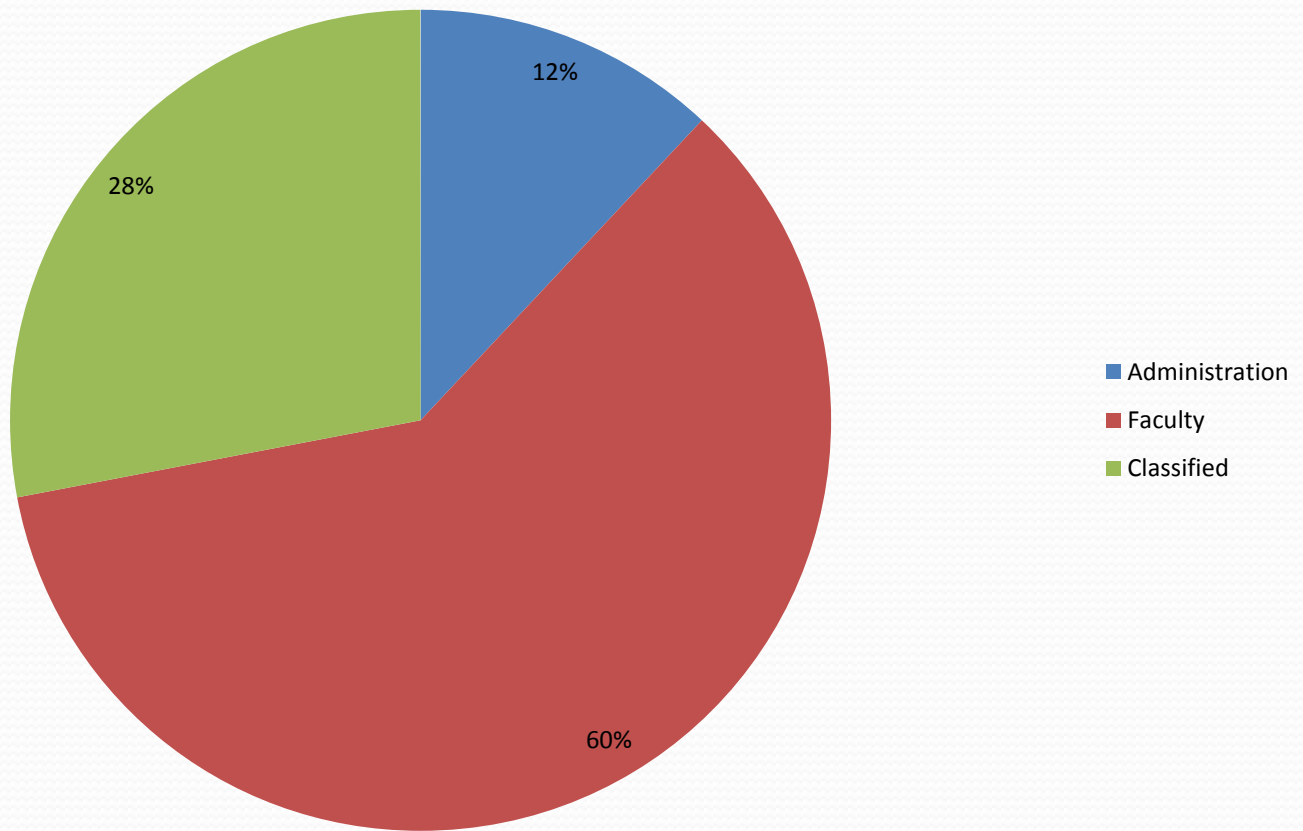
Revenues

- Property taxes established by permanent rate set in the 1990's and outside of Board control and has shown modest but steady increase over time.
- State funding level is set by legislative action and has been volatile due to strength of Oregon economy and is allocated according to the CCWD formula.
- Tuition and fees are set at the local level.

General Fund Expenditures



Salary Breakdown



Budget Timing

- ▶ Budget adoption is mandated to follow the Local Budget Law processes described in the Oregon Revised Statutes.
- ▶ To meet those timelines the budget must be adopted before key pieces of information are known.
- ▶ These include such crucial elements as level of State support, results of collective bargaining, and enrollment.

Key Changes Since Adoption

- State revenue increase.
- Settlement of Collective Bargaining.
- Increase in rate of enrollment decline.

Tuition Considerations

- PCCs annualized tuition and fee structure for resident students ranks 12 among the 17 Oregon community colleges and \$70 below the average.
- PCCs annualized tuition and fee structure for international students ranks 12th among the 17 Oregon community colleges and \$897 below the average.
- In State revenue and property taxes per eligible student PCC ranks 17th and \$496 below the average.

Non-resident Rate Considerations

- ▶ Non-resident students tuition rate needs to cover the cost of their education as they do not generate additional state revenue or additional property tax revenues.
- ▶ There are additional costs associated with international students–Admissions and Visa support, orientation, English language support, homeland security compliance, advising and student activities.
- ▶ A true international rate, that reflected an equivalent revenue and that was sufficient to cover the additional costs, would be \$265per credit hour as opposed to the current rate of \$224.

Tuition Resolution

- ▶ Board needs to make a final decision on tuition rates for 2016–17 no later than the February 2016 Board meeting to meet financial aid processing timelines.
- ▶ Recommendation is for a \$2. per credit hour decrease in the previously approved rates for 2016–17.
- \$1. per credit hour increase for resident students to \$97 and \$3 increase for non-resident students to \$227.

What we Heard

- Frustration over the timing and organization of budget forums.
- Students want greater input into the budgeting process and determination of where their tuition dollars go.
- Lack of understanding why non-resident or international students pay a different tuition rate and concerns over the quality of their special services.
- Desire for more social service programs-tuition waivers, housing assistance, student health center, food subsidies, etc.

What we Heard

- How tuition dollars support individuals of different identity-based communities and recruitment of minority staff.
- Desire for improved lines of communication with administration.
- Information on how strategic planning funding and fund balance will be used.
- The desire for alternative electronic methods of sharing information from the forums and for gathering input.

What we Heard

- Lack of understanding about the relationship between fees and tuition and how many other community colleges use a much higher fee structure to lower tuition costs.
- Information students shared at the forums was not accurate.
- Misunderstanding that the budget for 2016-17 has already been adopted and a tuition increase was built into that budget so a tuition increase does not generate extra money.