

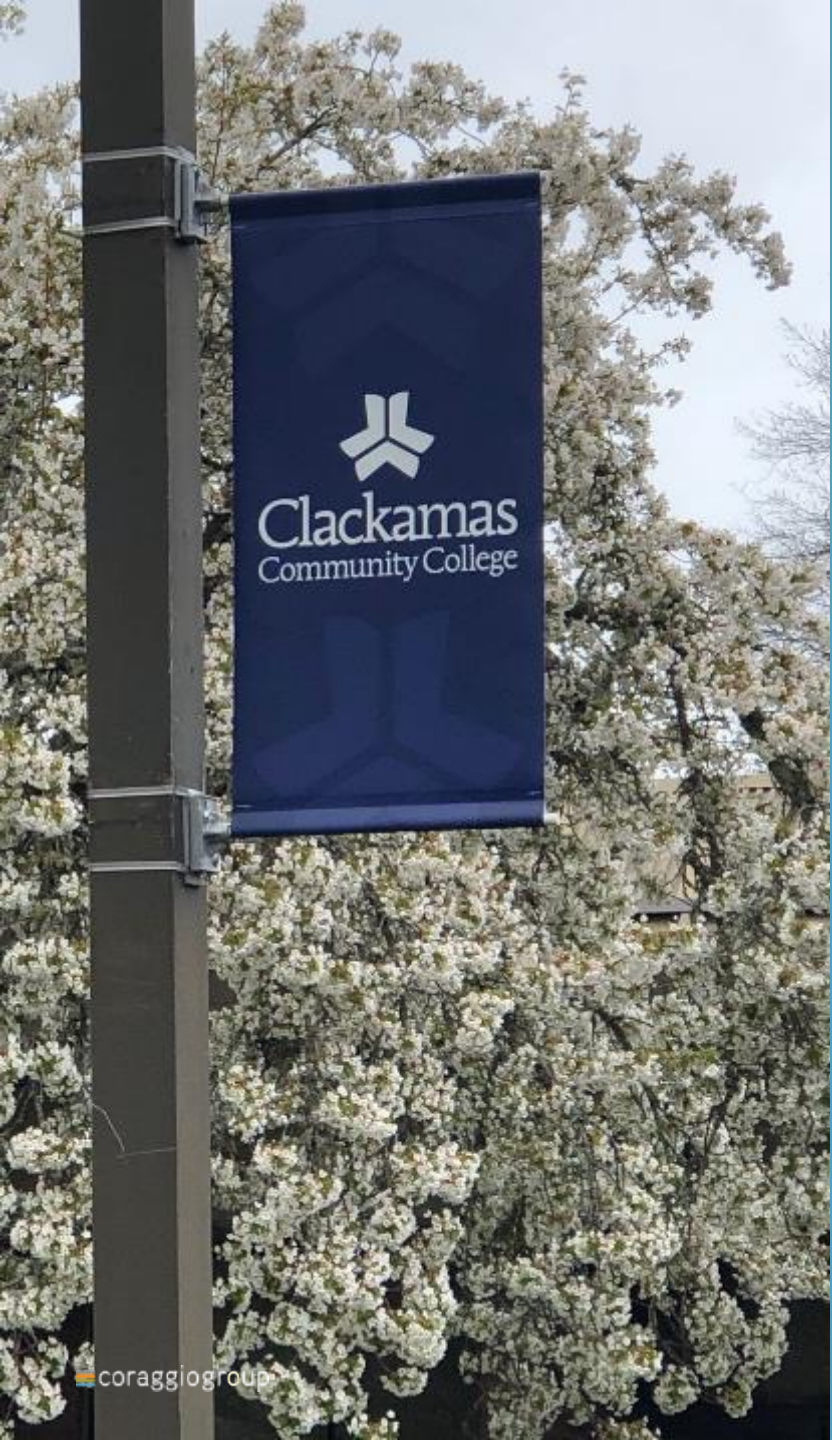


# All Staff Budget Forum

Clackamas Community College | April 6, 2023

Coraggio Group  
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# Today's Agenda

1. **Welcome and Plan for the Session** **3:00 – 3:10**
2. **Forecast Status Update** **3:10 – 3:25**
3. **BAG Approach and Process** **3:25 – 3:45**
4. **Summary Proposal Listening Session** **3:45 – 4:20**
5. **Next Steps** **4:20 – 4:30**



# Agreements

- Step up and step back
- Check assumptions and seek clarity when needed
- Recognize the validity of differing perspectives
- Thoughtfully use the chat

# Forecast Status Update

# A Quick Math Quiz..

- Reimbursable FTE in 2019 was 6,271; FTE last year was 4,526 = Drop in Enrollment of **28%**
- Tuition revenue in 2019 was \$13.8 million of our \$49.8 million in total revenues, or **28%**
  - What is 28% of 28%? **7.84%**
- This means we would expect to be down about 7.84% in tuition revenues purely from enrollment alone (all other things being perfectly equal).
- Current Operating Budget is \$63.77 million.
  - 7.84% of \$63.77 million dollars is roughly **\$5 million** structural deficit directly due to enrollment (all other things being equal).

# Forecast Update

## 2022 Fall Forecast:

- Identified structural deficit of just over **\$5 million** (more expenses than revenues). Primarily due to having 27% lower enrollment (FTE/Tuition) since pandemic outbreak.
- Identified **\$1.2 million** in ongoing savings due to low enrollment and environmental changes since the pandemic
  - \$250,000 in savings from lower utility usage
  - \$800,000 in variable personnel savings
  - \$150,000 in supplies and printing savings from decreased use
- Identified \$9.75 million in one-time funds from Employee Retention Credit that could be phased in at **\$3.25 million/year** to balance much of the forecast for the next biennium.
- Assumed a 9.3% increase in State Funding – which produced a three-year balancing target of **\$835,000 in additional budget reductions.**

# Forecast Update

## Expenses:

- Due to strategic PERS pension bonds issued by the Business Office in 2021, the PERS rates are remaining steady (nearly flat for 2023-2025) for the first time in many years.
- Inflation has been at an all-time high recently, which could significantly impact the forecast if it doesn't right-size soon as the forecast can only bear 3% to 4.5% cost increases before larger adjustments need to be made (usually in the way of reductions).

## Revenues:

- Property Taxes still holding steady
- After stronger increases in enrollment recently in winter and spring, our year-to-date FTE enrollment is up 3.8% from last year. Tuition was forecasted with a +5% increase in enrollment, so we're close.
- **State Funding forecasted at \$764M (9.3%), but is unknown.** State economic forecast continues to be strong, but Governor has signaled that she may have other priorities.

# Budget Reductions Needed at Different State Funding Levels:

## Ways and Means Co-Chairs Current Budget (2.5% reductions from CSL) 6.8%

- CCSF Amount: **\$745 million**
- Additional Budget Reductions needed to balance: **\$1.4 million ongoing**

## Department of Administrative Services – Current Service Level (CSL) 9.3%

- CCSF Amount: **\$764 million**
- Additional Budget Reductions needed to balance: **\$835,000 ongoing**

## HECC Agency Request of 22%

- CCSF Amount: **\$855 million**
- Additional Budget Reductions needed: **\$0 – balanced (and full amount of Employee Retention Credit funds not for balancing)**



# BAG Approach and Process

# Continuously Improving our Budget Process

From June of 2021 through December 2021 the BAG identified the most impactful areas where the budget development and BAG process could be improved.

Some of those key opportunity areas included:

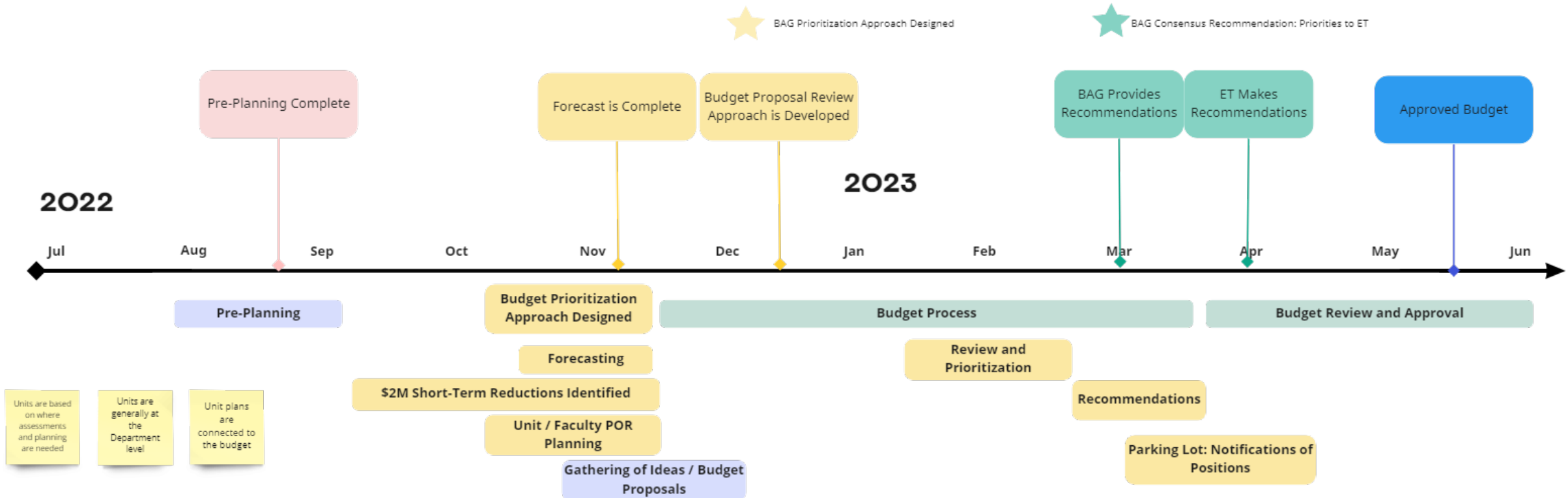
- Better alignment with the interim DEI framework to inform decision making
- Better alignment with the strategic plan

We were excited to share that during this BAG process, we tested / tried new approaches and tools to help us make incremental improvements to this budget development process and how the BAG works together

After each BAG meetings we identified that worked well and what we could improve to make incremental improvements throughout the process

This has been and will continue to be an evolution. We tested an approach to assessing proposals last year, got feedback on that approach and tool, and developed an improved tool and approach this year that we tested and tried.

# BAG Process Timeline



# BAG Guiding Principles (developed by the BAG DEI Subcommittee)

## OPERATIONALLY EFFICIENT AND EFFECTIVE

- Identify solutions for operational efficiencies
- Preserve the health and safety of CCC's students and employees
- Leave space for strategic growth opportunities

## EQUITY LED

- Utilize an equity lens to make budget-related decisions that center on social and racial justice

## DATA INFORMED

- Make data-informed recommendations

## STUDENT-CENTERED

- Identify creative solutions to positively impact student success
- Supports excellence in student learning

# High-Level Process Overview (January – March)

- 1. Proposals Organized:** Proposals were organized for BAG review and any redundant proposals were consolidated
- 2. Submissions were Reviewed by the BAG:**
  - BAG worked in Guiding Principle subgroups (Equity, Data, Student Centered and Operationally Efficient and Effective) and each group had two co-facilitators.
  - BAG received proposals in advance and came prepared having assessed the proposals and highlighting any they most wanted to discuss
  - During the BAG meetings, the subgroups discussed the highlighted proposals.
  - The subgroups assessed each proposal based on its level of alignment with their Guiding Principle using a Budget Proposal Assessment Tool
- 3. Proposals Scored:** After the subgroups' assessments, each proposal was assigned a score (based on the subgroups' average scores)
- 4. Recommendations Made:** the BAG reviewed the scores and used a consensus recommendation process (first to five) to finalize the prioritized lists of proposals which were submitted to the Executive Team

# Guiding Principle Subgroups

<b>Operationally Efficient and Effective</b>	<b>Student Centered</b>	<b>Equity Led</b>	<b>Data Informed</b>
<b>Jessi Alley-Snell</b>	<b>Jennifer Anderson</b>	<b>Casey Layton</b>	<b>Michael Price</b>
<b>Melissa Richardson</b>	<b>Nora Brodnicki</b>	<b>Kelly White</b>	<b>Sue Goff</b>
Becky Fidler	Mark Yannotta	Jim Martineau	Jason Kovac
Bob Cochran	Beverly Forney	Maria Julia Sorrentino	Melissa Deyoe
Kathryn Long	Chris Sweet	Armetta Burney	Christopher Zimmerly-Beck
Kevin Aguilar	Debra Mason	David Plotkin	Derek Lougee
Lori Hall	Tara Sprehe	Dustin Bare	Lisa Reynolds
Pete Kandratieff	Kelly Wilshire	Felicia Arce	Mary Jean Williams
Saby Waraich	Ben Melles (ASG Rep)		
Katrina Boone			



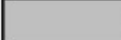
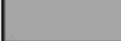
# BAG Output: Prioritized Lists of Proposals (based on Guiding Principle alignment)

## Budget Reductions (BAG Prioritization)

Budget Reduction Proposal	Proposal Amount	Guiding Principle Alignment	Data Alignment
<b>AFAC Department-wide</b> - Reductions in Office Supplies, Furniture and other Materials and Services across the department to generate \$8,000 in annual savings.	\$ 8,000		
<b>Vice President of InSS</b> - Materials and Services reductions, primarily in annual memberships no longer being utilized.	\$ 25,000		
<b>Small Business Development Center</b> - Recognize increases in annual program income by shifting \$45,000/year from program fund to General Fund.	\$ 45,000		
<b>Custodial Services</b> - Eliminate graveyard supervisor position that's been vacant since 2020. Shifts have subsequently been realigned to eliminate graveyard shifts, leaving only day and swing shifts, thus eliminating the requirement for this position.	\$ 120,000		
<b>Transportation Department</b> - Eliminate shuttle services, transition to other transportation options, and partner with Clackamas County shuttle to mitigate impacts for existing riders.	\$ 120,000		
<b>Transportation Department</b> - Transition Transportation Analyst position from full-time position, to part-time position that will be primarily funded by Metro Transportation grant.	\$ 75,000		
<b>College-wide</b> - Reduce Annual Cash Transfers from General Fund to Reserve Funds (Innovation/Equipment/Major Maintenance) by \$450,000/year for three years. Maintain current annual expense allocations utilizing built-up fund balances from pandemic.	\$ 450,000		
<b>Board of Education</b> - Reduce Travel and Conference budgets nearly in half.	\$ 20,000		
<b>Mailroom</b> - Shift Mailroom Coordinator to part-time. Create "CCC post office" for pick-up. Eliminate walking route mail delivery to buildings within Douglas Loop (work shifts to building staff), maintain delivery to outer buildings, Harmony & Wilsonville.	\$ 65,000		
<b>Presidents Office</b> - Reduce Materials and Services budget \$55,000 between consulting services, college-wide professional development budget, and travel/conference budgets.	\$ 55,000		
<b>Financial Aid</b> - Eliminate Scholarship Coordinator position that's been vacant for over two years, and the scope of work has either been shifted to the Foundation or streamlined into other positions.	\$ 104,000		
<b>Health/PE Department</b> - Reduce sections while still offering other section options during other terms to maintain student options.	\$ 6,500		
<b>Effectiveness and Planning Department-wide</b> - Make strategic reductions in materials and services across departments, while ensuring compliance and priority services are met	\$ 7,500		
<b>Business Office</b> - Implement credit card convenience fees, which the college pays 2.5% rewards fees on. Only charge for use of credit card (students/external customers could always pay by debit card, ACH bank account transfer, cash and check).	\$ 100,000		
<b>English Department</b> - Reduce five sections during summer.	\$ 20,000		
<b>Human Resources</b> - Eliminate the Advanced Degree Program benefit that currently provides 1/3 cost reimbursement for staff to obtain an advanced degree.	\$ 30,000		
<b>Information Technology</b> - Eliminate the Network Systems Manager position.	\$ 140,000		
<b>Campus Services</b> - Efficiencies done during audit. Allowed for negotiated savings with municipalities and utility companies that will realize lower utility costs within the same usage amount. <sup>1</sup>	\$ 33,000		
<b>Foundation</b> - Elimination of vacant part-time returning retiree position that was used for cross-training for last 4-5 years due to staff turnover. No longer needed. <sup>1</sup>	\$ 45,000		
<b>Health Sciences</b> - Recognizing the elimination of faculty position and related savings from elimination of Clinical Lab Assistant program that was eliminated and teach out completed in Winter of 2022. <sup>1</sup>	\$ 122,000		
<b>Online Learning and Educational Technology</b> - Shift Moodle software to a new vendor and hosted site after researching alternatives. Will not reduce any existing Moodle services. <sup>1</sup>	\$ 30,000		
<b>Math Department</b> - Reduced sections in Math 111 and Math 112 due to common course numbering (going from 5 credits to 4 credits) will generate a small, \$30,000 savings per year <sup>1</sup>	\$ 30,000		
<b>Customized Training</b> - Limited Duration Outreach Coordinator position comes to an end in 2022-23, and enterprise fund does not have surplus profits to sustain funding for an additional year. Included for transparency purposes. <sup>1</sup>	\$115,000		
	Enterprise Fund		

5 point Key		
Strongly Aligned To Guiding Principle	5	Confident certainty of alignment from multiple angles and perspectives
Aligned To Guiding Principle	4	Reasonably aligned. Able to distinguish alignment with details
Somewhat Aligned To Guiding Principle	3	Moderately aligned or some pieces align
Vaguely Aligned To Guiding Principle	2	Hint of alignment. Very little to no evidence of alignment
Not able to Assess	1	

\*NOTE: The higher the number, the more likely we are to implement the proposal

Data Key	
	Aligned
	Somewhat Aligned
	Vaguely Aligned
	Not able to assess

<sup>1</sup> Proposals submitted after fall forecast that have happened or will be realized for next academic year, included for transparency purposes but prioritization not needed.

# Insights from the BAG Process

- We operated within the reality of needing to make cuts to operate within our means. This process was focused on how to be good stewards of our resources in service to our community.
- The approach the BAG took was an inclusive process.
- Coraggio partnered with an Agenda Planning Group made up of BAG members to plan all the meetings.
- We used a continuous improvement mindset and approach to test and try new things and improve.
- Our approach drove alignment with our strategic plan and the guiding principles (Student Success, DEI, Operations, Data)

## **The results were:**

- Better output
- Robust analysis and conversation around proposals
- Focused conversations on the proposals that most needed to be discussed
- General consensus across the BAG subgroups on the proposals



# Proposal Listening Session

## ***Are there additional insights for consideration on the summary Reduction Proposals?***

- Some cuts come from positions that have been open for multiple years. How does this impact the budget when we haven't spent money on that in many years?
- How were the committee subgroups determined? while I can understand the subgroup members were aligned to positions or focus areas but wondering how that might have influenced the identified areas for reduction.
- Are we going to move forward with all of the proposed reductions regardless of what our funding from the state will be?
- Why not save when we can?
- Has implementation of credit card convenience fees been previously discussed by the college? What is the expected impact to students?
- Concerns expressed about some proposals for position reductions not adequately addressing the resulting task migration and potential impacts to gender equity at the college
- Acknowledgement that the detail of the robust dialogues and the assessment process that have taken place are not all visible. Similarly, an assumption that a lot of thought would go into the implementation of these proposals.

## ***Are there additional insights for consideration on the summary Unit Plan Budget Requests?***

- Note that adds didn't have any that showed up as strongly aligned. This is because Unit Plans had different information that led to different scores
- Will we also be investigating ways to bring in additional funds such as better capturing FTE from our staff trainings, workshops and other formalized ongoing staff educational opportunities?
- Appreciate the unit plan and the process for identifying needs... but the needs of students - particularly the need for usable technology - is not addressed. How does this fit into the budget planning?
- There is a proposal to decrease Board member travel, Has this been discussed for the college as a whole?
- Just something to consider and keep in mind regarding the proposal to eliminate the advanced degree program for staff, could there be consideration of staff currently enrolled in a grad program and currently using this benefit. Maybe a phase-out system allowing them to finish their programs with no new applications.
- I think it has already been said, but whether it is a cut or an add there is always a cost of not doing it or doing it.
- Did we address that some proposals could be partially approved?
- Do the asks need to be offset by reductions in the same amount?

# Next Steps

# High-Level Process Overview (April-June)

## April

- 4/6: Virtual Budget Forum (today)
- Executive Team considers forum insights and current funding information to refine prioritized lists
- 4/20: BAG Debrief Meeting
- 4/21: Proposed Budget book is published via website and announced with public Budget Committees

## May

- 5/10: Budget Committee #1
- 5/17: Budget Committee #2

## June

- 6/28: Board formally adopts budget

**Reminder:** Budget Process webpage will continue to be updated over the coming months ([www.Clackamas.edu/budget-process](http://www.Clackamas.edu/budget-process))



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