

Clatsop Community College

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MINUTES OF THE APRIL 21, 2022 BUDGET COMMITTEE PRE-MEETING

I. CALL TO ORDER

The meeting was called to order by Sara Meyer at 6:31 p.m. There were brief technical difficulties with the Zoom interface. They were resolved.

Budget Committee Members present: Sara Meyer, Trudy Van Dusen Citovic, Nicole Williams, Jim Alegria, David Oser, Tim Lyman, Al Arp, Karen Burke, Jody Stahancyk
Budget Committee members absent: Rosemary Baker-Monaghan, Rachel Jensen, Mitra Vazeen

Others present: Peter Williams, Evon Jacobsen, Recording Secretary Felicity Green

II. Approval of Minutes

Karen Burke moved to approve the April 5, 2022 Budget Committee Pre-Meeting minutes as written. David Oser seconded. The motion carried unanimously.

III. Introduction of Guests

Evon Jacobsen, Administrative Specialist for Finance and Operations

Peter Williams, Vice President for Academic Affairs

IV. Budget Process

Evon Jacobsen presented an overview of the College budget process.

Highlights included:

How college account numbers (as seen in the budget) were built: the first two numbers are the fund, the third is the function and the last four are the department. These are the numbers the Committee will see in the budget summaries and detail reports.

- The internal process is as follows:
 - A spreadsheet and attached worksheets are sent out to all departments.
 - The first item on the spreadsheet are the annual renewals.
 - Dues and subscriptions and some other annual renewals do not all come out of one place; they are subdivided by department.
 - The worksheet starts by pulling over the adopted budget from last year.
 - HR numbers and changes such as COLA and step increases are adjusted before they get to the department.
 - The spreadsheet flows into the worksheets.
 - The first two columns on the worksheet are the current actual budget.
 - The second column includes the adopted and working budget.
 - The last column is the new year (22/23) recommended budget.
 - All worksheets must be approved by the administrator and then initialed. The worksheets then go through Cabinet and changes are discussed.
 - The worksheets then go into the budget module of the College's financial system, Roguenet. The numbers from Roguenet are run through an Access database to generate the budget reports.

Other Information:

- Negative numbers in the budget represent revenue.
- The initial proposed budget that goes to the Budget Committee does not include detailed FTE (full time employment) numbers because it is not required and the College does not have the actual numbers yet. The College's payroll software, ADP, doesn't easily give the correct FTE and the totals will still have to be calculated.
 - Those numbers will be included in the budget that goes to the Board for adoption.
- Evon explained the purchasing process for state institutions and the dollar amounts which require either informal price quotes before purchasing (\$5000 for the College; \$10,000 for the state) or formal requests for proposals (RFPs) (\$50,000 for the College; \$150,000 for the state.)

Questions and Answers:

- Can the Board demand a 10% across the board reduction to cover infrastructure costs and the new ERP.
 - This is not the meeting where that could be done; it could be asked at the official budget meeting on May 3. At the May 3 meeting, it would be possible to discuss making changes like this as part of the budget process.

- It was also mentioned that at this point, the current budget has been created and compiled, so it is probably too late to institute a sweeping reduction.
- The suggestion was made that the Board consider moving the budget committee process much earlier in the year.
- The comment was made that in the federal government, the budget process begins by removing all operational necessities and the only funds available for discussion are those left.
- How are new FTE (full time employment) positions be handled in the budget?
 - All new proposals for large expenditures and new positions go through the BAC (Budget Advisory Committee.)
 - The BAC is a an advisory group that is composed of representatives from the entire college and includes the President and the VP of Finance and Operations.
 - It was created in the interests of transparency and shared governance.
 - The primary role of the BAC is to prioritize large expenditures and new positions by using a matrix based on the College's strategic plan and goals.
 - Through the year as funds become available, the Cabinet can make a decision based on the BAC's recommendation to add positions or make large purchases.
- What does new funds becoming available means?
 - If revenue that comes in that is larger than was budgeted for, such as timber revenue or property taxes, that would be new funds becoming available.
 - Timber revenues are an example of new funds becoming available. The College budgets for a certain amount. Timber revenue is budgeted for debt service. If the amount received from timber funds is greater than the budgeted amount for debt service, it is put into General Funds: Fund 41 and Fund 42.
 - Other recommended new expenses are budgeted on a contingent basis if funds become available.
 - There is no way to tell in the budget if expenses are on a contingent basis. Revealing which of those funds are contingent is not required by the state and therefore is not in the budget document.
 - This is something that could be requested in future budgets.

The Timeline for the Budget Committee and the Board

- The official budget meeting must be advertised both on the newspaper and on our website.
 - The budget must be available on the website at least 10 days before the meeting.
- The first meeting must include the budget message and an announced time for public comment.
- In one of the Budget Committee meetings, the Committee will make a motion to approve and then the budget moves on to the Board for adoption.
 - Between the committee approval and the budget going to the Board to be adopted Evon prepares the CC1 which is the summary data of both expenditures and resources as well as the text of the legal advertisement, the College's bond information and the detailed FTE numbers. This CC1 has to be published 10 – 30 days before the board meeting.

At the June Board meeting the Board adopts the following resolutions:

- 1) To adopt the current year's budget
- 2) To make amendments on the current year identifying differences between the adopted budget and the working budget.
 - a. Amendments to the adopted budget are tracked throughout the year in the working budget.
 - i. They involve things like transfers from one fund to another.
 - ii. Grants, which may not have existed at the time the budget was written, are also often added during the year to the working budget.
- 3) To adopt the next years' budget
- 4) To implement the tax rate

After the Board has made those resolutions,

- The budget data will go to the assessor's office so they know what the college's numbers are for next year.
- Once there is a published adopted budget then it goes to the Higher Education Coordinating Commission (HECC.)
- By statute we are not required to give this information to the county until September 30 but the HECC wants it by July 15.
 - They are lenient however and let us get the details in later as long as they have summaries by that date.

V. Conclusion

Everyone agreed this was very helpful and appreciated Evon's time.

The Board should have electronic copies of the 2022-23 budget within a week. The printed budget will take longer and may not be available until the day of the meeting.

VI. Future Meeting Dates Tuesday, May 3, 2022;
Tuesday, May 17, 2022; Tuesday, May 24, 2022 (if needed)

VII. Adjournment

The meeting was adjourned at 7:48 p.m.