
***Rogue Community College Budget Committee Meeting Minutes
May 17, 2011***

1. **Call to Order** – Rogue Community College (RCC) Budget Committee Chair, Dawn Welch, called the meeting to order at approximately 3:00 p.m. on Tuesday, May 17, 2011 at the RCC/Southern Oregon University (SOU) Higher Education Center (HEC), 101 S. Bartlett, conference rooms 127 and 129, Medford, Oregon. Due notice was given.
2. **Determine Presence of Quorum** – A quorum of Budget Committee members were present including Ms. Welch, Pat Ashley, Joe Davis, John Harelson, Tim Johnson, Skip Patterson, Dick Rudisile, Kevin Talbert, Dean Wendle and Joseph Zagorski.
3. **Introduction of Guests** – Management and staff in attendance included Peter Angstadt, Curtis Sommerfeld, Lisa Stanton, Lynda Warren and Denise Nelson.
4. **Review Budget and Public Comment (Oregon Budget Law, Chapter 294 Oregon Revised Statutes)**

A. Updates on Proposed Budget Presented April 19, 2011.

Lynda Warren reported only minor changes were made since the April 19, 2011 presentation.

B. Review Descriptions of Budget Accounts

Lisa Stanton distributed copies of the 2011/12 budget presentation and proposed budget (see file). Budget detail, which can be reviewed at www.roguecc.edu/budget/2011_12/approved/, was provided for each account in addition to account descriptions (see below). Board members asked questions accordingly and received clarification in response.

a. General Fund

The General Fund covers general operation for the College and accounts for all financial resources and expenditures of the College, except for those required to be accounted for in another fund. The principle sources of revenue include tuition, property taxes, and state community college support.

The Tax Revenue Anticipation Note was not included in accordance with Oregon Local Budget Law.

6.A.a

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b. Capital Improvement Fund Type

The Capital Improvement Funds account for the receipt and disbursement of resources for buildings and land, buying or maintaining College facilities and equipment. The principle revenues include transfers from the College Services fund, bond levy proceeds, and certificates of participation and investment earnings.

c. CIP-Maintenance

The Capital Improvement Fund – Maintenance accounts for the cost of maintaining College facilities and equipment. The principal revenue is transfers from the College Services fund.

Budget detail for this fund includes:

- Facility maintenance projects and emergency facility needs.

d. CIP-COPS & Bonds (externally restricted)

The Capital Improvement Fund – COPS & Bonds accounts for the purchase or remodel of buildings and land with COPS and bond proceeds. The principal revenue is from the sale of bonds or COPS.

Budget detail for this fund includes:

- Further development of Riverside campus.

e. CIP State Funds (externally restricted)

The Capital Improvement Fund – State Funds accounts for state funding received for capital projects, such as the Go Oregon Stimulus Plan for Deferred Maintenance Projects. The principal revenue is from the sale of bonds financed by the State.

Budget detail for this fund includes:

- “Go Oregon” grant dollars for maintenance projects at all three locations.

f. Debt Service Fund (externally restricted)

The Debt Service Fund accounts for the accumulation of resources for and payment of principal and interest on the College’s long-term debt obligations. The principal revenues are transfers from the General Fund, College Services Fund and the PERS Fund, and property taxes approved for bond levies.

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Budget detail for this fund includes:

- \$1.82 million for Series 2005 General Obligation and Refunding Bond (maturity date June 2025)
- \$1.33 million for Series 2005 Limited Tax Pension Obligation Bond (maturity date June 2028)
- \$25,746 for the Title VII loan payments (maturity date 2024)
- \$100,000 of interest for potential TRAN
- \$139,706 for the 1998 COP series payments (maturity date June 2013)

g. Special Revenue Fund Type

The Special Revenue Funds account for revenues and expenditures for specific projects that are legally restricted for a specific purpose and the Financial Aid fund. Funds included in this classification are College Services Fund, Contract and Grant Fund, Financial Aid Fund, Higher Education Center Fund, Intra-College Fund, PERS Fund, Self Support Fund, Stability Reserve Fund, Technology and Equipment Fund, and Unemployment Reserve Fund.

h. College Services Fund

The College Services fund accounts for non-technology fees charged to students. These fees include materials fees, the college services fee, testing fees, collection fees and the installment fee. The principle revenue is generated by fees remitted by students. The principle expenditures include facility remodel, lease or purchase, student transportation costs, and instructional supplies and equipment.

Budget detail for this fund includes:

- \$25,746 for the Title VII loan payments
- \$139,706 of principle and interest for 1998 COP series associated with JOCO
- \$195,613 for lease payments in Jackson County

i. Contract and Grant Fund (externally restricted)

The Contract and Grant Fund accounts for grants and contracts for the Small Business Development Center, U.S. Department of Education (which includes TRiO) U.S. Department of Labor Construction Expansion, Rogue Community college Foundation Department Projects and other contracts and grants. Revenues are primarily provided by federal, state and local sources.

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Budget detail for this fund includes:

- Perkins \$417,203
- Adult Basic Skills – Title II \$317,115
- Construction Technology (DOL 3 year grant balance) \$444,693

j. Financial Aid Fund (externally restricted)

The Financial Aid Fund accounts for the provision of grants, stipends and other aid to enrolled students including; Pell Grants, Supplemental Educational Opportunity Grants, Oregon State Scholarship Commission Grants, College Work-Study, Federal Direct Student Loans, and awards from the Rogue Community College Foundation. Revenues are primarily provided by federal government grants and student loans.

Board members discussed the economic outlook for Financial Aid and the Opportunity Grant.

k. Higher Education Fund

The Higher Education Fund accounts for the day-to-day expenditures such as security, utilities, custodial services, copiers, maintenance services and technology support necessary to run the Higher Education Center building. RCC and SOU share these costs.

Lynda Warren provided a general overview of shared expenses for the facility. Not all expenses are shared equally, such as custodial services. Since RCC has more students enrolled in classes at this facility, RCC pays a higher percentage of costs for custodial services.

l. Intra-College Fund

The Intra-College Fund accounts for activities performed by the College for the benefit of the College. Activities include Associated Students of RCC, Professional Growth, Staff Development and other departmental charges. The principal revenue for this fund is transfers in from other funds.

m. PERS Fund (partially internally restricted)

The PERS Fund accounts for the potential PERS unfunded actuarial liability reserve being held by the College. The principal revenue is the PERS expense charged in other funds. Funds are transferred from this fund to the Debt Service Fund to pay Series 2005 Limited Tax Pension Obligation Bonds.

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n. Self Support Fund

The Self Support Fund accounts for the self-support instructional activities of the College. The principle revenue is tuition and fees.

Largest programs include:

- Short Term Skills Training
- Customized Training
- High School Drivers Training
- Dental Assisting

o. Stability Reserve fund

The Stability Reserve Fund accounts for the funds set aside by the RCC Board of Education during times of excess to be used in times of unexpected shortfall or budget deficit. The principle revenue is transfers from the General Fund.

p. Technology and Equipment Fund

The Technology and Equipment Fund is designated for the replacement of the College's equipment and distance delivery. The principle revenues are the \$4 per credit and the \$4 per non-credit course technology fee, the distance education fee, host provider service fees and transfers in from the College Services Fund. The principle expenditures are upgrades/replacements for equipment and distance delivery services.

q. Unemployment Reserve Fund

The Unemployment Reserve Fund accounts for the payments to the Oregon Employment Division for unemployment benefits paid to terminated employees. Principle revenues are the unemployment expense charged to other funds and investment earnings.

r. Proprietary Fund Type

The Proprietary Funds are used to account for operations that are financed and operated in a manner similar to those of private business enterprises. The intent is that the cost of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.

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s. Auxiliary Service Fund

This fund accounts for the operation of the College's bookstore. Principle revenue for this fund is book sales.

t. Other Auxiliary Service Fund

The Other Auxiliary Service Fund accounts for the operation of College owned ATM machines, Art, Auto Artist, Diesel Technology, Disability Services, Early Childhood Education Facility, Facility Rental, Friends of the Library, Gallery Projects, HPER, Illinois Valley Business Entrepreneurial Center, Massage, Math, Music Ensembles, Pay Phones, RogueNet intergovernmental agreements, Science, Testing Center, Theater, and Welding.

u. Fiduciary Fund Type

Accounts for assets received and held by the College in a fiduciary capacity or as a trustee for other governments or other funds. Disbursements from this fund are made in accordance with the trust agreement or applicable legislative enactment and by local board resolution.

v. Agency Fund (externally restricted)

The Agency Fund is custodial in nature (assets = liabilities) and does not involve measurement of results of operations. Currently, the RCC Foundation is the only agency represented in this fund.

For future presentations, Dick Rudisile suggested listing funds in a different manner in order to differentiate discretionary funds from restricted funds.

Board members thanked staff for their work with budget preparation and the improvements to the budget presentation this year.

C. Public Comment

There was no public comment.

D. Approve 2010/11 Budget

Pat Ashley moved, seconded by Joe Davis, the RCC Budget Committee adopt Resolution No. B102-10/11 approving RCC's 2011/2012 budget for Board action in June 2011.

The motion was unanimously approved.

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5. **Old Business** – None
6. **New Business** – None
7. **Adjournment** – The meeting adjourned at approximately 4:00 p.m.

Respectfully submitted,

Denise Nelson, Assistant to the President and Board of Education

Action: Approved

Patricia Ashley, Chair, RCC Board of Education

Dated: June 21, 2011
