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***Rogue Community College District Budget Committee Meeting Minutes***  
***May 28, 2020***

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1. **Call to Order** – Ian Bachtel, Chair, Rogue Community College (RCC) District Budget Committee, called the meeting to order at 2:05 p.m., Thursday, May 28, 2020, via Zoom.
2. **Determine Presence of Quorum** – A quorum of the Committee was confirmed with the following members in attendance: Pat Ashley, Ian Bachtel, Darlene Dart, Ron Fox, Shawn Hogan, Matt Stephenson, Roger Stokes, Claudia Sullivan, Dawn Welch, Coleen Padilla, Jerry Work, and Kevin Talbert.
3. **Introduction of Guests** – RCC District employees in attendance including: Cathy Kemper-Pelle, Lisa Stanton, Curtis Sommerfeld, Marie Chandler, Natalie Herklotz, and Rachelle Brown.
4. **Review Budget and Public Comment [Oregon Budget Law, Chapter 294 (Oregon Revised Statutes)]** – Committee members were encouraged to ask questions throughout the meeting.

President Cathy Kemper-Pelle addressed the Budget Message Addendum (see file). This addendum is intended to supplement the budget letter that was part of the Proposed Budget 2020-21 packet distributed prior to the 5/19/2020 Budget Committee Meeting (see file). President Kemper-Pelle outlined how to move forward with the proposed budget and that the Board of Education has the option to create a supplemental budget at a later time, once more information related to state and federal funding is available. The Senior Leadership Team is working on a proposal for the board that would outline the most effective budget cuts to allow us to fulfill our mission. There was a follow up discussion from last meeting regarding a resolution that would state that the committee will reconvene at a later date. President Kemper-Pelle and Lisa Stanton worked with OCCA to determine that a board motion to set a date for a supplemental budget meeting is not needed at this time. This will be addressed during a future Board of Education meeting.

**A. Review and Discuss 2020/21 Budget** – Lisa Stanton, Chief Financial Officer

Lisa Stanton reviewed a PowerPoint presentation detailing reorganization of the following funds as required by our implementation of Campus Nexus (see file):

- General Fund- accounts for the general operations of the College, including all financial resources and expenditures of the College, except for those required to be accounted for in another fund.
  - General Fund -\$49.9 million
    - Additions in FY 20/21:
      - College Services Fund
      - Entrepreneurial Fund –Allied Health activity
      - Higher Education Center Fund –RCC only
      - Technology & Equipment Fund –technology licenses and maintenance agreements

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- Capital Improvement Funds- account for the receipt and disbursement of resources for buildings and land, buying or maintaining College facilities, and equipment.
  - Capital Projects Fund (formerly CIP Fund - COP & Bonds)
    - \$12.8 million remaining from 2016 Bond Levy
    - \$8.8 million State Bonds
    - \$844,000 local sources
  - CIP Fund – Maintenance
    - Campus ad hoc activity to Intra-College Fund
    - All other activity to Renewal and Replacement Fund
  - CIP Fund – State and Local Funds
    - All Activity to Capital Projects Fund
  
- Debt Service Funds- account for the accumulation of resources for, and payment of, principal and interest on the College’s long-term debt obligations.
  - Debt Service Fund (formerly General Obligation Bonds)
    - Refunding Bonds, Series 2012
    - Refunding Bonds, Series 2016
    - General Obligation Bonds, Series 2016
    - Limited Tax Pension Obligation Bonds, Series 2005
  - Debt Service Fund – Other
    - All Activity to Debt Service Fund
  
- Special Revenue Funds- account for revenues and expenditures for specific projects that are legally and/or administratively restricted for a specific purpose.
  - College Services Fund - \$4.5 million
    - All activity to General Fund
    - Fund balance to Reserve Fund
  - Community and Workforce Development Fund- \$1.3 million
    - (formerly Self-Support Fund)
  - Contract and Grant Fund - \$10.8 million
    - RCC Foundation activity from Agency Fund
    - HEC - SOU activity from HEC Fund
  - Entrepreneurial Fund - \$1.4 million
    - Allied Health Activity to General Fund
  - Higher Education Center Fund - \$0
    - RCC activity to General Fund
    - SOU activity to Contract and Grant Fund
  - Intra-College Fund - \$1.5 million
    - Campus ad hoc activity from Capital Improvement Fund - Maintenance
  - PERS Fund - \$5.8 million
    - Reserve for future to Reserve Fund
  - Renewal and Replacement Fund - \$4.2 million
    - (formerly Technology and Equipment Fund)

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- Activity from CIP Fund –Maintenance
- Technology licenses and maintenance agreements to General Fund
- Reserve Fund - \$14.4 million
  - (formerly Stability Reserve Fund)
  - College Services Reserve - \$3.6 million
  - PERS Reserve - \$5.9 million
  - SOHOP Institutionalization Reserve -\$415,000
  - Stability Reserve - \$4.3 million
  - Unemployment Reserve - \$209,000
- Student Financial Aid Fund - \$26 million
  - (formerly Financial Aid Fund)
- Unemployment Fund - \$204,000
  - All activity to General Fund
  - Fund balance to Reserve Fund

Lisa Stanton clarified that when it comes to the Student Financial Aid Fund we do not spend what we do not receive. The \$26 million is an estimate of the amount of financial aid we are eligible to receive depending on how many students qualify for financial aid.

- 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.
  - Auxiliary Services Fund - \$1.5 million
    - (formerly Other Auxiliary Services Fund)
    - Activity from Auxiliary Services Fund- Bookstore
  - Auxiliary Services Fund - Bookstore - \$500,000
    - (formerly Auxiliary Services Fund)
    - All activity to Auxiliary Services Fund
- Fiduciary Funds- account for assets received and held by the College in a fiduciary capacity or as a trustee for other governments or other funds.
  - Agency Fund - \$0
    - RCC Foundation activity to Contract & Grant Fund
    - Athletic Booster activity to Intra-College Fund

**B. Public Comment – None**

**C. Possible Action – Approve 2020/21 Budget**

Kevin Talbert stated that, as the Chair of the Board of Education, he understands and appreciates the explanations given by President Kemper-Pelle and Lisa Stanton on why we need to wait to create a supplemental budget, but wants it said that the

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Board will have a commitment to revisit this budget as more information becomes available.

Pat Ashley moved, seconded by Jerry Work, the RCC District Budget Committee adopts Resolution No. B123-19/20 approving the 2020/21 Budget as presented for action by the Board of Education on June 16, 2020.

A roll call vote was taken:

Ian Bachtel- yes	Kevin Talbert- yes
Dawn Welch- yes	Claudia Sullivan- yes
Darlene Dart- yes	Pat Ashley- yes
Colleen Padilla- yes	Roger Stokes- yes
Jerry Work- yes	Ron Fox- yes
Matt Stephenson- yes	Shawn Hogan- yes

**The motion unanimously carried.**

5. **Old Business** – Claudia Sullivan asked President Kemper-Pelle for an update on the student portion of the CARES Act Funding. President Kemper-Pelle responded that we have received final clarification on how to distribute the money and noted that students who are not Title IV eligible cannot receive that funding. We have also received some clarification on the institutional portion of the funds. The loss of revenue due to waiving the technology fee for all RCC students for Spring term is claimable with those funds; however, it will not cover loss of revenue from tuition loss.
6. **New Business** – The June 2, 2020 District Budget Committee Meeting will be cancelled.
7. **Adjournment** – Ian Bachtel adjourned the meeting at 2:51 p.m.

Meeting minutes submitted by Rachelle Brown, Assistant to the President – Governance.