

Financial Questions and Clarifications

Clarification statement on the budget not including a surplus. The college is not in a surplus mode. It is balanced to the forecast and provides less than 1% potential flexibility as we need to be sure we have hit revenue targets and expense reduction targets to fully move out of a deficit cycle.

Special Revenue Fund restrictions. The College has several special revenue funds. By their nature, they are intended to be self-sustaining funds created for specific purposes. Under the [Governmental Accounting Standards Board \(GASB\) Statement No. 54](#), a special revenue fund is a type of governmental fund used to account for revenues that are restricted or committed to a specific purpose other than debt service or capital projections.

Question on contingency in the General Fund if utility costs exceed budget. The General Fund does include contingency, which is a limited resource for one-time, urgent, unplanned, or unforeseen events. If there is a one-time unplanned expense, such as payment for one unusually high month of electricity usage, then the college would use contingency funds on a one-time basis to cover the expense. Contingency funds are not an appropriate use of funds to cover utility expenses if the rates charged and overall consumption exceed the forecasted expenses for utilities, nor is contingency an appropriate source of *any* ongoing expenditure. In this instance, the College would need to identify an ongoing resource to support an increased ongoing expense.

Summary statement on COLA (Cost-of-Living Adjustment) - the College will honor contractual obligations when new collective bargaining agreements are ratified. If there is a new contractual obligation that is outside of forecast assumptions, then the college will need to reduce expenses to balance. Currently, all three association agreements are open and in active negotiations. As a result, there will be no further discussion points on COLA as a budget topic.

Question for impact of increasing tuition on students and enrollment. The issue of the rate per credit hour for in-state tuition is an important policy and fiscal piece of CCC's budget. The Board adopts the tuition and fees no later than March, so the upcoming registration terms for summer and fall reflect accurate costs for students.

For the academic year 2025-26 CCC has one of the lowest in-state tuition and fee rates in the State amongst community colleges as reported to the Higher Education Coordinating Commission (HECC). The FY 2025-26 state average for in-state tuition and fees annualized for three terms is \$6,913 and CCC's rate in 2025-26 is \$6,525, which is \$388 less than the average. In the metro region, CCC is lower than both Mt Hood Community College and Portland Community College. At the conclusion of the budget development cycles for FY

Clackamas Community College Budget Committee Meeting #1 Follow-up

2026-27 we will receive the tuition and fees for all 17 colleges as adopted by their boards. This information will be shared when available for comparison.

The table below was included with the Board reports for tuition showing the change over time with respect to CCC’s in-state and out-of-state tuition:

| Academic Year | 2020-21 Adopted | 2021-22 Adopted | 2022-23 Adopted | 2023-24 Adopted | 2024-25 Adopted | 2025-26 Adopted | 2026-27 Adopted |
|-----------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| In-state Tuition | \$108.00 | \$111.00 | \$117.00 | \$121.00 | \$126.00 | \$130.00 | \$136.00 |
| Out of State Tuition | \$274.00 | \$277.00 | \$283.00 | \$293.00 | \$302.00 | \$311.00 | \$320.00 |
| Percentage Change (in-state only) | | 2.8% | 5.4% | 3.4% | 4.1% | 3.2% | 4.6% |

Materials from the [March Board meeting for tuition](#) are here.

Materials from the first reading presentation on tuition and fees [from February](#) are here.

Operations questions

Additional information about fraud and what actions the College has taken over the past year.

The College was experiencing an uptick in reported fraud. When there is a fraudulent transaction, the College ultimately records the financial loss for uncollectable debt. Over the last three years there has been a noticeable increase in the number of fraudulent transactions and an increased dollar amount of transactions. The College has a cross-departmental Red Flag team, and this group made a recommendation to the Executive Team to utilize a third-party application review process built for fraud detection. This new fraud detection process was recently implemented, allowing staff greater access to data and helping mitigate and prevent growth in fraudulent activity. Here are some recent articles on fraudulent activity that community colleges across the country are faced with: <https://calmatters.org/education/higher-education/2024/04/financial-aid-fraud/> & <https://www.pbs.org/newshour/show/how-scammers-are-siphoning-college-financial-aid-with-stolen-student-identities>

Clarification for changes to First Year Faculty Experience (FYFE) included in the Proposed Budget. The FY 2026-27 Proposed Budget does not eliminate First Year Faculty Experience. The FYFE for 2026-27 has four faculty members planned and at this participation level supporting FYFE does not require the amount of support as it has in prior years. Over the course of the next year there will be a collaborative process for re-imagining FYFE, and part of the re-imagining will include a reduced expense footprint for that specific program. The Center for Teaching and Learning (CTL), which conducts and oversees the FYFE, will also be asked to review the department’s overall budget. Over the past five years, all allocated department funds have not typically been used.

Matrix Criteria and Assigned Weights

Question about weighting criteria and rationale for weight of impact to staff. The weights themselves for the tool were agreed to in the development process prior to any use of the tool. Specific to impact to staff, the impact to staff is present in three different angles:

- The immediate impact of a reduction to a filled or vacant position is considered the impact associated with the .15.
- Considered as part of supporting longevity of the institution- recruiting and retaining our staff supports the institution's goals now and into the future. Longevity criteria also include considering employment for the long term.
- Considered as part of supporting fiscal sustainability to ensure the College has resources to support regular compensation, benefits, and professional development of staff.

It was also important for integrity in the tool to set and agree to the weights early, prior to reviews. There was thoughtful consideration within the development of the tool to ensure there would not be a disproportionate impact on students compared to impact on staff.

Personnel FTE Data in Budget Document

By definition, Associate Faculty are part-time employees. As such, reporting their full-time equivalency (FTE) is a calculation based on an approximate annualized cost if they were to work full-time. The Associate Faculty FTE counts reported in the Personnel section of the Proposed Budget document (starting on page 50) are based on budgeted amounts in departments where Associate Faculty support is needed. As part of an operational realignment, budget for Associate Faculty salaries was moved from the Technology, Applied Science & Public Service (TAPS) Division's Harmony Department out to the appropriate academic departments within the Arts & Sciences and Academic Foundations & Connections (AFaC) Division. While it appears that the overall FTE for TAPS has decreased from FY2025-26 to FY2026-27, this net zero change more accurately reflects the subjects taught and, therefore, the divisions Associate Faculty are assigned to.

Scrivener's Errors

Property Tax changed in assessed value. Note the decimal is in the correct place on the historical property tax chart for 2022-23 (page 22)

Salary ranges. The salary range reported for Full-Time Faculty had an incorrect starting salary reported. The actual range currently starts at \$82,843 (page 61). This is an informative table and does not impact the calculated financial table used to build the budget itself.

The Proposed Budget Book viewable online has been corrected. The print copies, unfortunately, will contain the error.