

Second Response for Budget Committee Member Questions

1. Payroll taxes and benefits - went from \$26.999k to \$24.501k (page 14) - what were the main reasons for this drop?

Response: There are several reasons for this variance of \$2.49 million.

- **Grant fund** - *Approximately \$825,000 is reallocated from Wages & Salaries to Payroll Taxes & Benefits in Grant Funds (73 & 74) after adoption of the budget. Initially, a portion of estimated grant-funded personnel costs is placed in a Wages & Salaries holding account. As grant awards are executed and positions authorized, these funds are redistributed to applicable Payroll Taxes & Benefits line items (e.g., insurance, retirement, workers' compensation, unemployment). This reallocation typically occurs throughout the fiscal year; however, for the FY 2026–27 Proposed Budget, more grant-funded positions were identified upfront, resulting in fewer funds budgeted in the holding account.*
- **PERS Self-assessment rate** – *The internal rate that the college charges all departments to cover debt service payments to the State of Oregon for the pension obligation bonds has decreased from FY 2025-26 to FY 2026-27. This accounts for a reduction in “Payroll Taxes & Benefits” of approximately \$1.03 million. The FY2025-26 PERS self-assessment rate is 13.26% and the FY 2026-27 calculated rate is 10.754%.*
- **Decision package reductions** – *Of the \$1.4 million in expense reductions within the FY 2026-27 Proposed Budget, approximately \$430,000 are reductions to “Payroll Taxes & Benefits” line items.*
- **Demographic changes / misc. adjustments**– *The remaining variance of approximately \$200,000 is explained by the changing demographics in the employee mix at the college. Vacancies are budgeted at lower salaries than incumbent salaries to reflect labor contract schedules. As salaries are lowered, wage based benefits are lowered as well.*

2. General FYFE question - this is a big what if, but if trends go toward pre-pandemic time, would the plan be to bring this back? e.g. do you view the FYFE as a temporary cut with the hopes it could be brought back next year, the year after, etc...?

Response: The decision regarding FYFE isn't related to returning to pre-pandemic times, including changes in student enrollment. This is a permanent cut to this program's budget; the ask of the Center for Teaching and Learning is to review all of its programs and reallocate time and resources to support full-time faculty beyond their first year and to add support for associate faculty (part-time faculty). In the future, should there be opportunities for reinvestment because of changes in revenue, e.g. increase in state support, it is possible that this department could

receive an increased allocation for its programs. This allocation would be subject to a process for considering reinvestment across the college.

3. In the meeting you mentioned there were some admin positions cut - strictly anecdotal but I visited in the multicultural center last Wednesday and noted there was no admin person with a sign mentioning short staff. was this one of the positions cut? 3a. I mention this because the multicultural center/food pantry/etc... in that area serves some of the most vulnerable people in the community.

Response: There have been no reductions to the Multi-Cultural Center in the Academic Foundations and Connections Division. The staffing levels for the food pantry support and the multi-cultural center are unchanged from the prior years. There was a mention of the reduction of Administrators which is referred to as Admin/Admin Professionals, this is different than administrative support in departments.

4. Do you have a total of the costs spent by the community college on the lawsuit brought against (re: automotive dept), either direct or indirect? 4a. Given this is an ongoing lawsuit, I understand if this is privileged information.

Response: Our insurance policy, PACE, covers any direct costs associated with the automotive lawsuit. The primary impact were the indirect costs of staff time associated with various information requests made by the plaintiffs. It's no longer an "ongoing lawsuit". Effective April of 2026, a Clackamas County judge dismissed the case on grounds that the plaintiffs did not show any evidence that the college made age discrimination.

5. This is a crossover question I noticed solely because I'm also on the NCPRD budget, but on the NCPRD budget, page 75, they mention instructors for community education classes with CCC (\$53k) - do you know what kinds of courses these are? and if so, is there an opportunity with the NCPRD to potentially bridge a gap for courses over the years that CCC has had to make the difficult decision to cut in the community education world? I am aware this is a very open ended question, so if you'd like we can discuss it at the meeting.

Response: The question appears to be centered on community education courses offered through a partnership with the North Clackamas Parks & Recreation District (NCPRD). The way most community education courses or programs work is with the

partner paying for the instructor and the College offering some administrative support for the registration and other items.

6. Do we think Coach Jim Hoppel will bring the Portland Pickles a title this year? [no need to actually include this question haha].

Response: The college appreciates the question, but is not going to respond to this question.