

FY 2026-27 Proposed Budget Budget Committee Meeting #1

President Tim Cook

May 13, 2026

Agenda

Welcome Budget Committee

President's Budget Message

Financial Environment & Forecast for FY 2026-27

Budget Principles & Budget Process

Summary Reductions & Example of How a
Reduction Went Through the Process

More than the General Fund Supports our
Students

Discussion

Budget Committees in Oregon



Oregon local budget law requirement



Exists in law to ensure public access to information and involvement is included



Receives public comment and testimony on the Proposed Budget



Takes action to vote to approve the Proposed Budget and the tax levy

President's Budget Message

- The importance of adhering to who we are in a budget process
 - Follow our mission to support students. We are an open-access institution of higher education.
 - We will continue to be an opportunity for students to pursue their goals- now and five years from now
- Balancing our mission with what we can afford to support
 - The reality of uncertain revenues, and need to fulfill the college mission
- Every Fund at the College Supports Students
 - Focus a lot on the General Fund, but each dedicated fund supports students
 - Bond resources for our future students
 - Grant funds to support innovation and “what’s next”
 - Dedicated fees paid by students for comprehensive support of their education

Financial Information

Forecast Update

Vice President & Chief Financial Officer Jeff Shaffer

State Funding Challenges

- State economist project the 2027-29 impacts from the H.R.1 tax bill to be \$5.7 billion
 - \$1.2 billion in SNAP assistance
 - \$4.4 billion in lost Medicaid
- Note - the State's total revenue budget for 2027-29 is \$42 billion, so every agency receiving State funding would need to take 14% reductions to resolve this issue

		25-27	27-29	29-31
State Agency	Federal Program	(\$, millions)		
Dept. of Human Services	Supplemental Nutrition Assistance Program (SNAP)	(540)	(1,183)	(1,245)
Oregon Health Authority	Medicaid	(490)	(4,376)	(6,851)
State Police	Marine Fisheries Team	(1)	(2)	(2)
Dept. of Forestry	Urban Community Forestry Program	(<1)	(1)	(1)
Transportation	I-5 Rose Quarter Improvement Project	-	(150)	(262)
State Library	Library Services Technology Act	(3)	(5)	(5)
Total		(1,035)	(5,717)	(8,366)

State of Education in Oregon

SCHOOLS
As enrollment declines, Salem-Keizer schools will cut 130 jobs, largely without layoffs

RACHEL ALEXANDER · APRIL 2, 2026

SCHOOLS
Portland Public Schools Faces \$56 Million Budget Deficit as Superintendent Proposes 336 Layoffs
The district forecasts that in the 2027-28 school year, it will face another deficit—of more than \$65 million.

By [Joanna Hoy](#) | Published on April 28, 2026 8:51PM PDT

EDUCATION

Portland State declares financial crisis, reveals plan to cut or reduce 19 departments

By [Tiffany Camhi](#) (OPB)
PORTLAND, Ore. March 9, 2026

Mt. Hood Community College board votes to get rid of 7 programs

Updated: Jan. 16, 2020, 2:12 p.m. | Published: Jan. 15, 2020

Linn-Benton Community College cuts jobs to address \$3.5M deficit, maintains core programs

by News Staff | Mon, March 31, 2025 at 3:06 PM

EDUCATION
Lane Community College may cut more than 20 jobs, 2 programs amid budget shortfall

By [Rebecca Hansen-White](#) (KLCC)
March 20, 2026 10:07 a.m.

Eugene 4J School District laying off a little over 170 employees

by Gabrielle Bowman & KVAL.com Staff | Fri, May 1, 2026 at 1:42 PM
Updated Fri, May 1, 2026 at 5:28 PM

EDUCATION

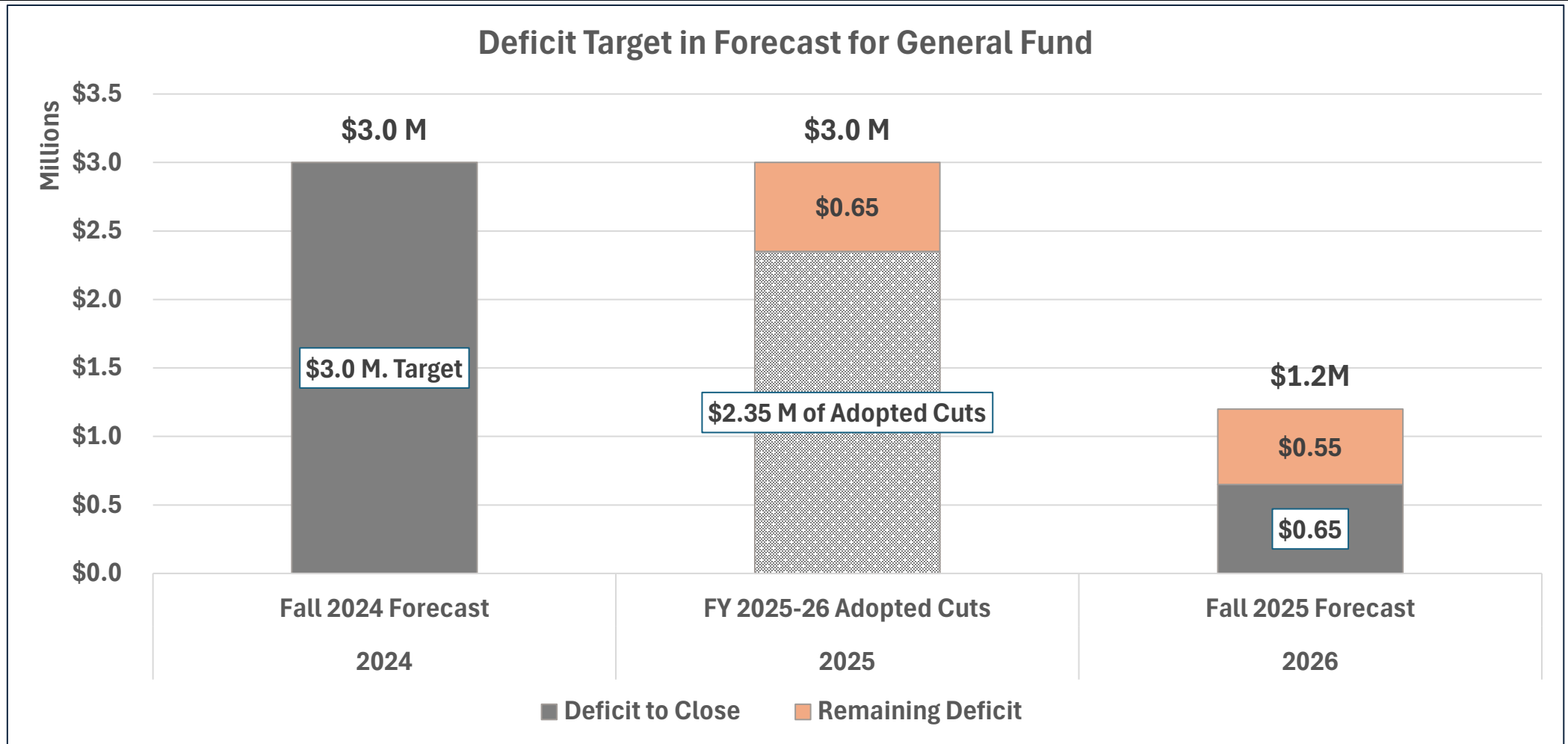
Portland Community College cuts programs to fight budget deficit

Published: Jul. 17, 2025

Forecast Update

- Last year's budget process lowered a \$3 million 3-year structural deficit down to a projected \$650,000
- Through the course of the last 12 months, the following impacts have increased that \$650,000 up to \$1.2 million
 - Property tax/home value increases have ranged between 4% - 5% for the last 10 years, and forecast at 4.5%, only increased 3.55% in fall (lowest increase since the great recession in 2012).
 - Enrollment increases were projected to increase 5%, but is now trending closer to 2%
 - Annual underspending of budgets has historically always been 4%-5%, and now is trending closer to 2.5%-3%, which gets adjusted as a rolling average
 - Due to large fraud increases and other student debt factors, uncollectible student debt has seen large increases in the past two years, which roll forward

Change in Structural Deficit Target Amount



Why \$2.0 million in Proposals?

- **State funding uncertainty** – The 2.5% to 5% ongoing funding reduction did not occur for FY 2026-27. To balance the state budget, the legislature will use “one-time bridge funding“. When the funds expire, future state funding reductions are likely in the FY2027-29 biennium.
- **Structural deficit** - The college still has a structural deficit to address. We used a thorough, data-driven budget process to develop the FY2026-27 reductions to prepare the college for financial sustainability and allocate resources as future funding becomes available.
- **Fiscal responsibility** - Position the college to avoid larger, high-impact reductions as we are seeing our peers enact around the region.

Oregon Community College Funding Structure



Property Taxes fund basic non-instructional core costs to exist as a college. These include things like utilities, custodians, maintenance staff, leadership (Presidents, VPs, deans, directors), payroll, accountants, safety officers, insurance, legal compliance and core student support staff like financial aid, registration, advisors, etc.

Tuition funds all direct *instructional costs* core to a credit bearing course needing to exist above the core non-instructional costs. These include things like faculty, program equipment, etc. (these do not include course fees or other specific fees)

Instructional Cost is the cost of delivering courses. Cost for Oregon CCs is \$291/credit based on average class size and costs to teach courses. Note – this rate can often be found for a college by looking for its International or Out of State rate (e.g. rate w/o public funding)

State Funding funds the public subsidy for Oregon residents to make community colleges more affordable than the \$291/credit fully loaded cost, knowing this infusion of funding will come back as economic return through income taxes. The current state subsidized residential tuition rate for the 17 colleges is \$127/credit. Leaving State subsidy at an amount of \$164/credit it is investing to keep tuition rates affordable for local students

Therefore, as the State makes decisions to disinvest this subsidy by, say, 10%, the decrease in subsidy/increase in tuition is \$16/credit ($\$164 \times 10\%$) for students, on top of our current planned increases for inflationary purposes.

Budget Principles, Guidance, & Process

Christy Owen, Dean of Business Services

Budget Process Primary Milestones



Budget Principles Adopted By Board

- Operations supported by ongoing resources
- Revenues and Expenses are based on what the College can afford

Fiscally Responsible



- Adheres to mission, vision and values of the College

Support Students



- Decisions at the appropriate level within the Shared Governance Structure

Use Shared Governance



- Conduct focused review for impact and assessment with the College equity toolkit

Use the Cougar Pause



President's Budget Guidance & Application in the Process

- Ready to adapt and not rely on one-time sources
- Identify cut target amounts to provide options

Fiscally Responsible



- Develop and utilize tools specific to CCC's mission and support of student

Support Students



- Early input from Finance Council
- BAS would have complete scenarios for their review

Use Shared Governance

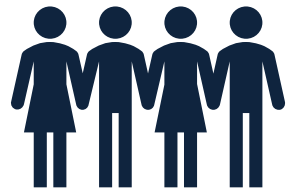


- Incorporate throughout the development, review, and selection of reductions

Use the Cougar Pause



Second Year of Five-Council Shared Governance Structure



Five Councils meet year-round & engage with an oversight group

Teaching and Learning Council
Student Support Council
People and Culture Council
Finance Council
College Operations Council



Shared governance at CCC

Shared Governance is a structure for participatory decision-making regarding policies, procedures and the strategic direction of the college

Values guiding shared governance are transparency, engagement, accountability, continuous improvement and empowerment



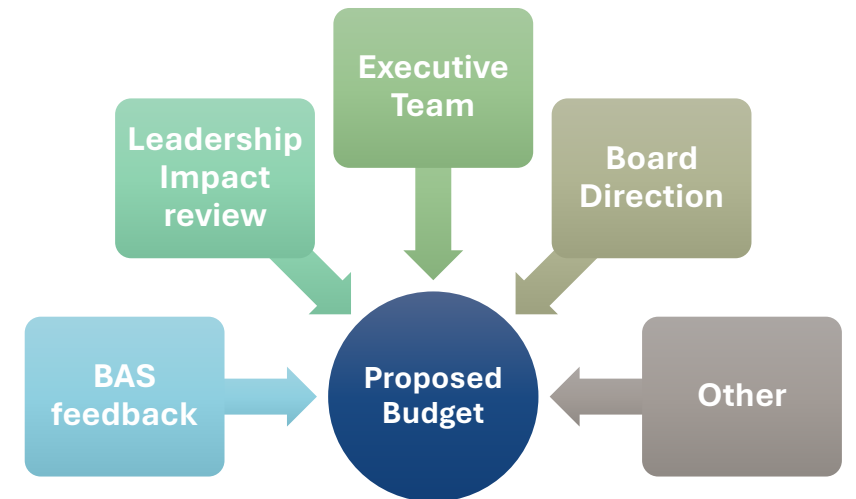
Finance Council and Budget Advisory Subgroup

- **Finance Council** meets year-round to advise on financial operating policies and ongoing financial work (13 members).
- **Budget Advisory Subcommittee (BAS)** forms during the budget process, adding 10 employees to provide advise the Executive Team on proposed budget decisions.
- **BAS role** is advisory — they provide input on impacts, options, and unintended consequences; it does not make budget-balancing decisions.



Many Inputs and Voices in Budget Process

- Throughout process gathered advice and input from multiple sources.
 - Finance Council and BAS involved in Fall
 - Finance Council asked policy perspectives & provided input to Executive Team in advance of reduction formation
- Division Leadership had autonomy to make reduction packages
 - 42 options received by 1/30/2026
 - No new options received after this date
 - Nothing is perfect, refining options is an iterative process



Tools Utilized

Weighted Impact Matrix

Cougar Pause

Weighted Impact Matrix Design and Purpose

Built from the College's mission and values

- Weights are intentionally adjusted to reflect CCC's values, hence impact to students was weighted most heavily

Provides common language and shared criterion for evaluating a large group of proposals

Weighted decision tools such as this are key parts of continuous improvements work



Weighting Set to Prioritize Student Success and College Longevity

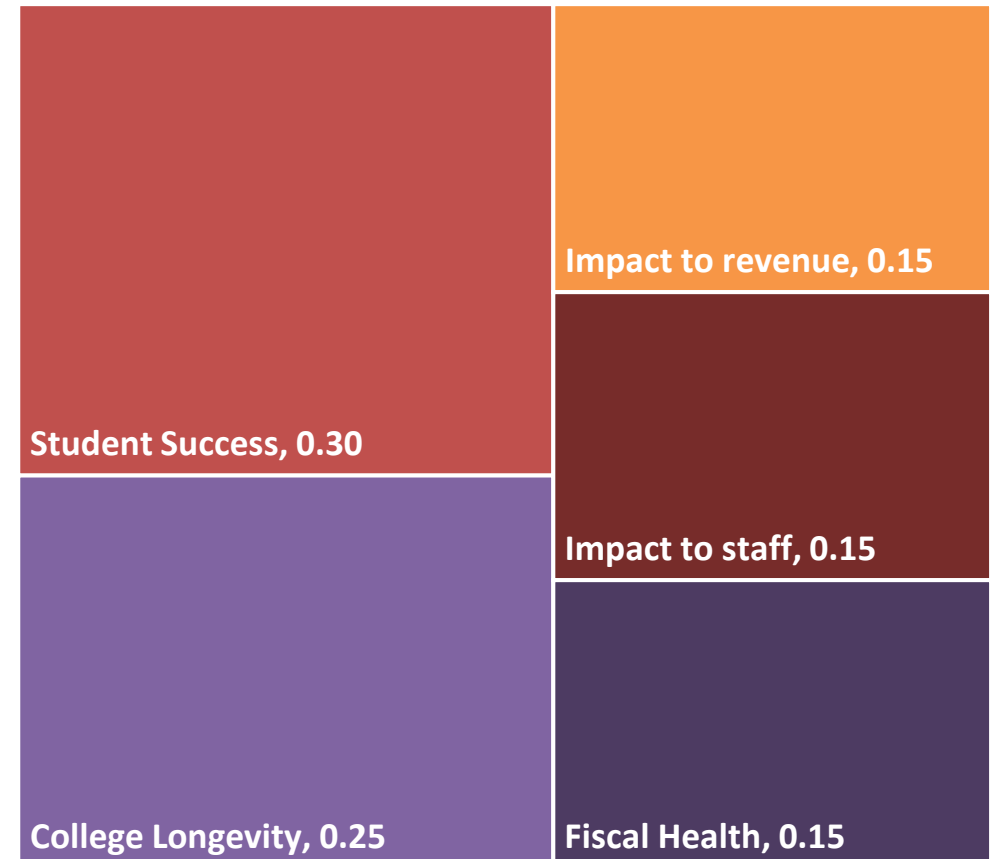
One input of many to President Cook

Proposals scored by 6-person team

Helped identify impact to students, staff, equity, etc.

Helped identify pairings and conflict between proposals

Weighting of Criteria



The Cougar Pause: Strategic Equity Resource for Decision-Making

Purpose: Support intentional, equitable decisions by pausing to reflect and ask critical questions.

Who uses it: All employees, leaders, committees, partners, and community members.

When to use: Large strategic initiatives *and* everyday decisions.

How it works: Guided reflection through five stages—***Foundation • Collaborate • Implement • Communicate • Evaluate & Revise***

What it supports: Centering impacted communities, identifying bias, improving transparency, and learning from outcomes.

What it isn't: A checklist, judgment tool, or one-time equity solution.



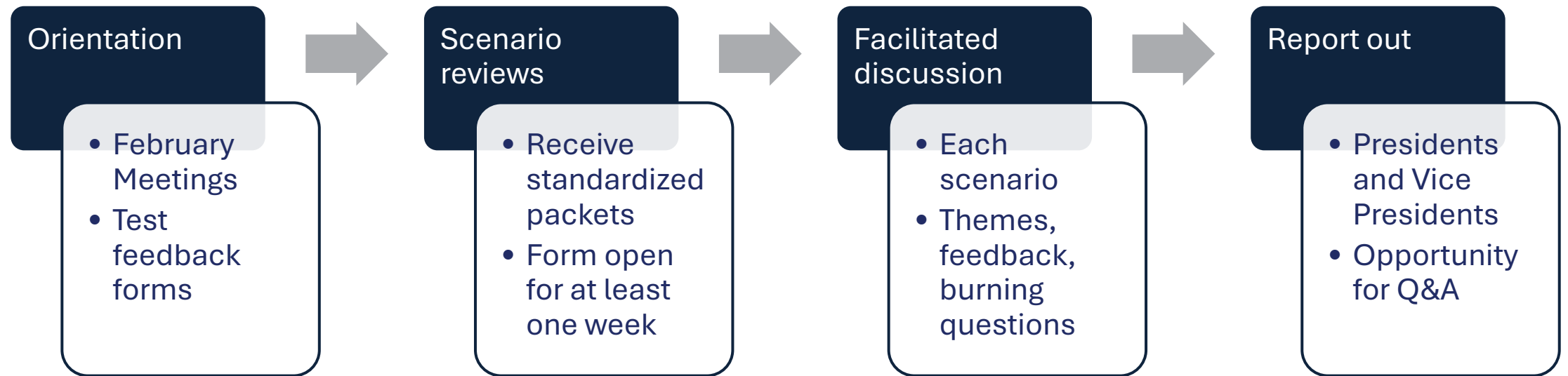
Cougar Pause Equity & Impact in Budget Proposals



- The Cougar Pause tools were used throughout the budget process,
- Identifies impacts, trade-offs, and unintended consequences
- Impacts are intentionally considered and documented
- Part of final decision-making process

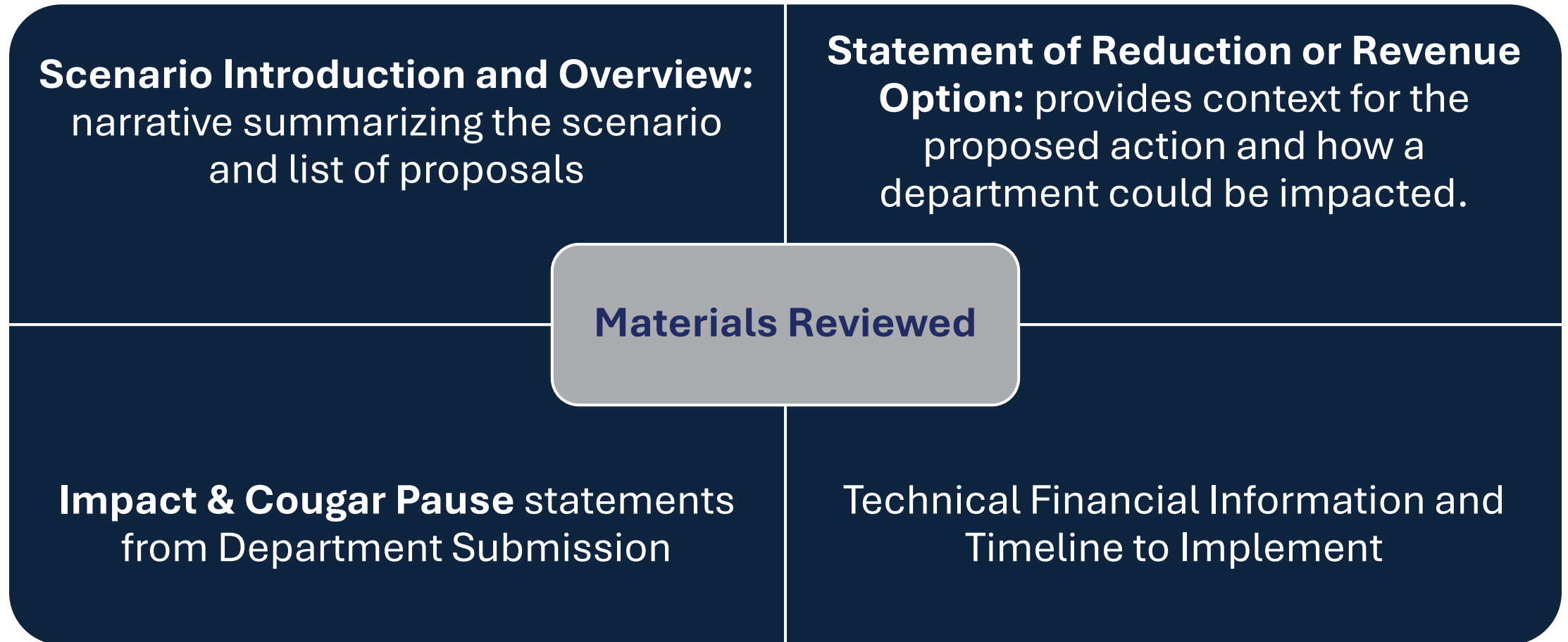


BAS Members' Experience February->April



There were at least two 90-minute meetings per month for BAS from February through April 2026
BAS members all had independent work for preparations for BAS meetings

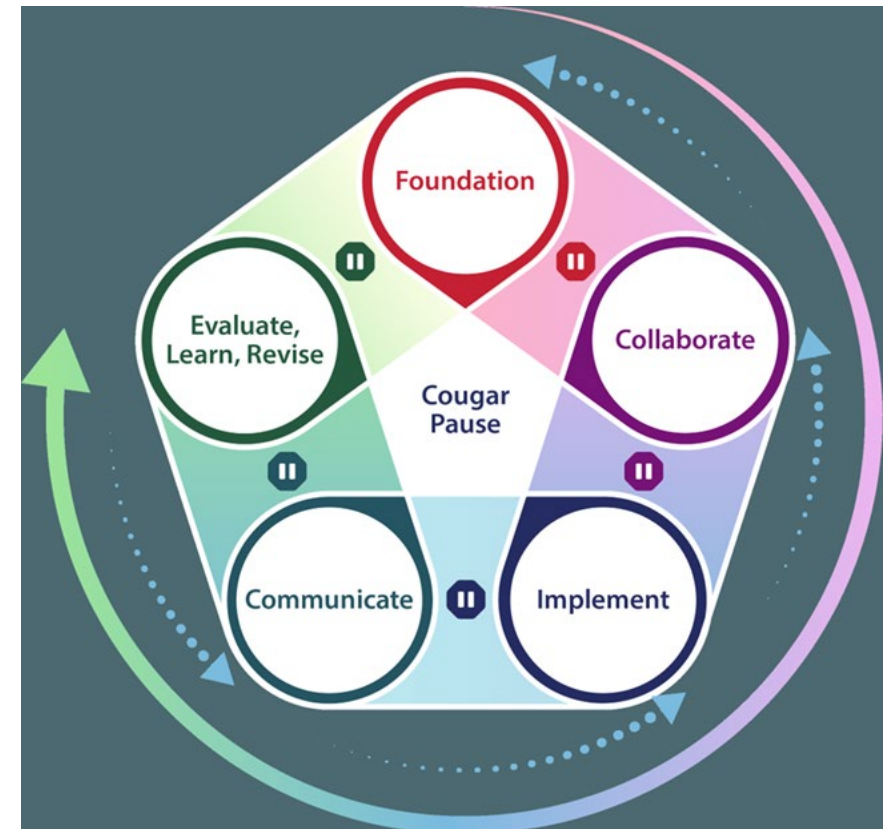
The Scenarios Were Presented Consistently



Incorporating BAS & Using Cougar Pause

- **Example Response for Cougar Pause Impacts:**

- Concerns with increased financial barriers to students, especially students with limited financial resources
- Mindful of uneven or cumulative impacts on vulnerable student groups
- May lessen overall burdens on students, but certain groups with high barriers may experience disproportionate effects



Budget Results- General Fund

Summary of Revenue and Expense Changes in the General Fund Proposed Budget for 2026-27

Fiscally Sustainable Budget

- **Importance of being ready**
 - Two-thirds of the College revenues come from decisions made at the State and Local property taxes
- **President's goal to include \$2.0-\$2.5 million of options**
 - Ensure the college can transition off one-time funding sources
 - Start a new strategic planning process without a lingering deficit
 - Prepare for future decisions at the state legislature
 - The state used one-time funds to prevent cuts to education in the 2025-27 biennium



Revenues are One-Third of Proposed Budget Changes

- New Revenues: Board Approved changes to tuition and Fees
- Realigned Revenues: Realignment of revenues from other funds into the General Fund.

Changes to Revenue	Dollar Amount
Board Approved Fee & Tuition increases	\$483,700
Increased contribution from Foundation	\$62,000
Centralization of event & conference revenues	\$65,310
Total Revenues	\$611,010



Reductions Included in Proposed Budget

- The Proposed Budget includes \$1.4 Million of expense reductions in the General Fund.
- Reductions represent our board direction and our values to mitigate impacts.
- *Working with fewer resources will require accountability and monitoring for impacts and unintended consequences.*
 - *Consistent theme from leadership crafting packages, initial impact reviewers, and the BAS as they provided advice on options.*



Expense Reduction Summary

Reduction Title	Dollar Amount
Reduction and realignment of General Fund Positions	(\$731,659)
Reduction of Part-time Classified hours and limited salary savings for retirements.	(108,108)
Section adjustments and reductions	(153,879)
Reduction for redesign of First Year Faculty Experience. Implementation to occur over two years	(144,258)
Reduction of materials & services spending	(\$272,540)
Total Reductions	(\$1,405,524)



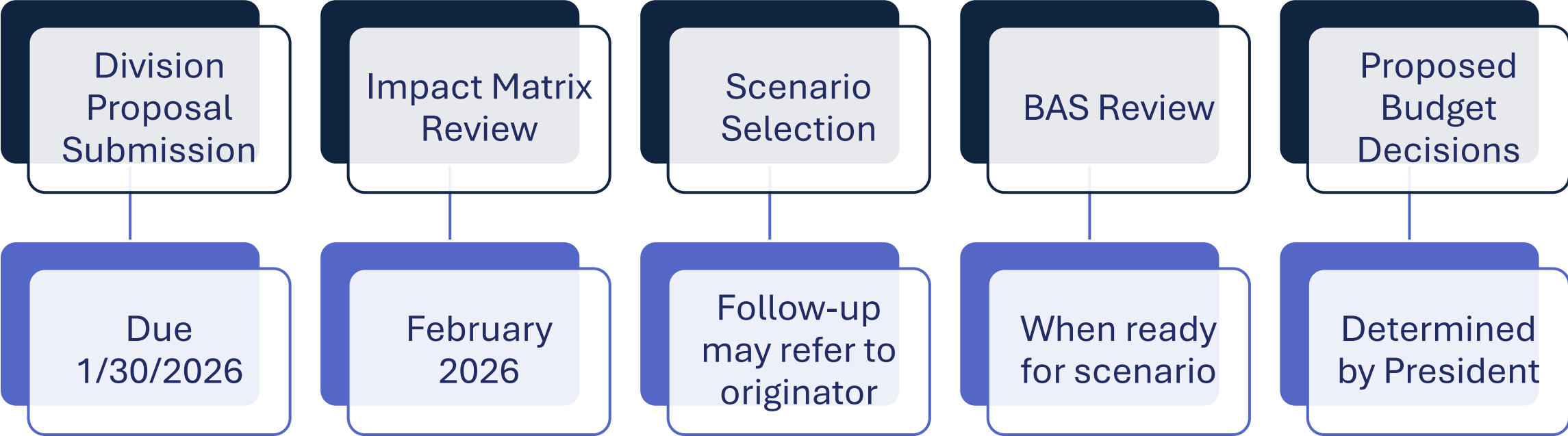
Reductions Included in Proposed Budget

Position title & Classification	Dollar Amount	FTE Staff Changes	Department-Division
Full-time Faculty Position	-\$168,810	(1.0) FTE	Arts & Sciences- History
Leadership restructure in Campus Services	-\$152,000	(1.0) Administrator FTE + 1.0 Classified FTE	Campus Services, Mailroom & Custodial
Publication Designer	-\$82,370	(.75) Classified FTE	Executive- College Relations & Marketing
Apprenticeship Advisor position	-\$102,766	(1.0) Classified FTE	TAPS- Apprenticeships
Reduction of Enrollment Specialist, add back PT support	-\$78,000	(1.0) Classified FTE	AFAC- Enrollment & Graduation Services
Realign 1.0 FTE from General Fund into Fee Fund	-\$117,176	Realign 1.0 FTE into Fee fund from General Fund	AFAC- Office Education Partnerships
Reduce Hours Toolroom (12 month to 10 month)	-\$30,537	(.34) FTE Classified	TAPs Automotive and Tool Room
Total	-\$731,659	(4.09) FTE	

Walk-Through Complete Process

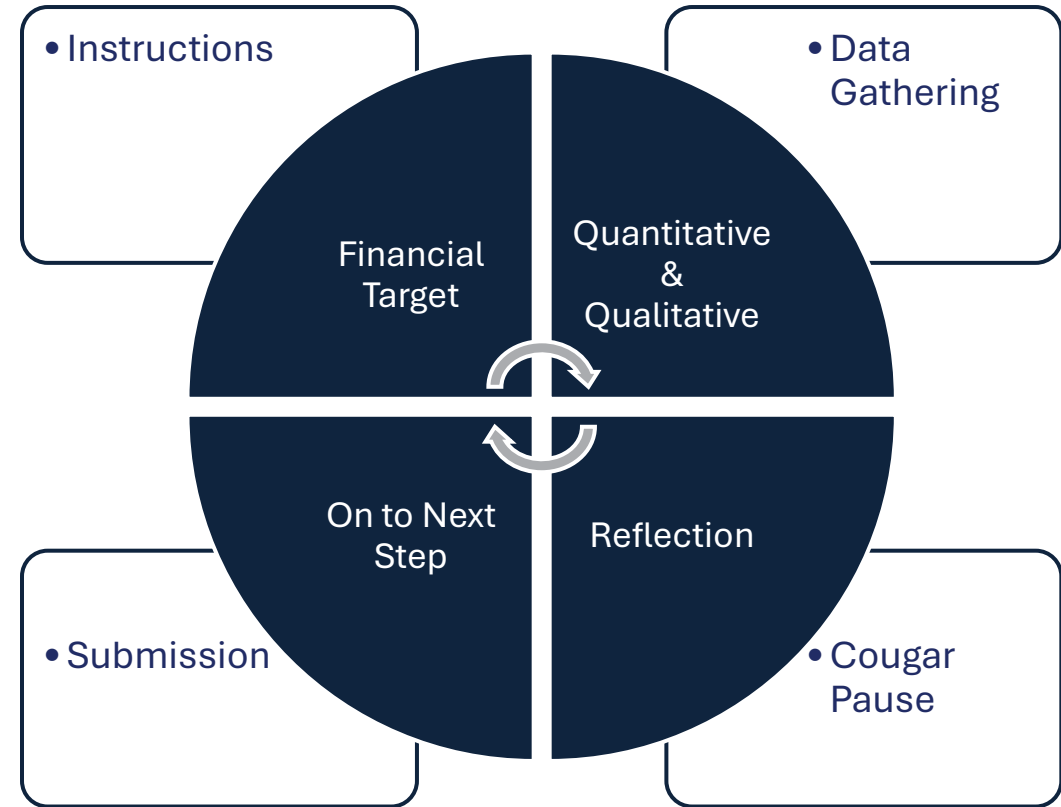
Example reduction proposal moved through the process

High Level Process Steps



Life Cycle of a Reduction Proposal: First Year Faculty Experience (FYFE)

1. Fiscal Instructions come to V.P.s and Division Leadership
2. Data Assessments
3. Cougar Pause
4. Submission
5. Leadership review
6. Resubmission upon request



Data Development for FYFE

- Data Points:

- Costs

- Average cost of prior 5 years is \$218,000 in course buy-outs (backfill costs for associate faculty)
 - Additional cost for guest speakers, guest instructors, materials, and instructor's time

- Faculty Level Outcomes

- High levels of satisfaction reported by faculty (who complete the full program) at end of program
 - No 1 year (or further out) follow up data after completion collected

- Institutional Level Outcomes

- Increase in departments opting new faculty out of full year program
 - One department started a mentoring program within their department, others express interest in doing this as well
 - Expressions of concern/need on full year length by department chairs
 - Rising need for mid-career and other types of faculty training
 - Associate Faculty not eligible for FYFE

- Budgeted funds in Center for Teaching & Learning (CTL)

- Multi-year pattern of excess funding in CTL budget

Cougar Pause in FYFE Submission

- Centering current and future students
 - Rationale for FYFE is to help create an effective learning environment for students by providing pedagogical training for new full-time faculty.
 - The CCC student body is diverse; rising numbers are requesting learning accommodations and other supports in class
 - The amount of time and money in FYFE limits other development offered to all faculty
 - Associate faculty are not eligible for FYFE yet teach a considerable number of students
 - The current iteration of FYFE does not impact enough students to justify the cost and time commitment.



Cougar Pause in FYFE Submission, cont'd

- Centering students in programs who struggle to recruit faculty
 - Many departments (especially in CTE) struggle to recruit qualified full time or associate faculty.
 - Time commitment of FYFE being 3-terms with a course buy-out (backfill) in each term prevents them from offering sufficient classes to fill student demand.
 - Particularly challenging for cohort programs
 - These programs often opt new faculty out of 1 or 2 terms of FYFE
 - Could cause students delay in starting a program or completing a program



Impact Matrix & Request for More Information (FYFE)

- Impact matrix review led to a request of more information
- CTL department chair/FYFE instructor gave the following input:
 - Suggested altering initial proposal to a 2-year change
 - Teach 4 new Full-Time Faculty Members with current FYFE program in FY 2026-27
 - Research and create proposal to lower cost and reduce time, to be implemented FY 27-28 in collaboration with relevant college committees and councils
- Proposal re-written to reflect these suggestions and returned for BAS to review



Other Key Considerations for FYFE submission

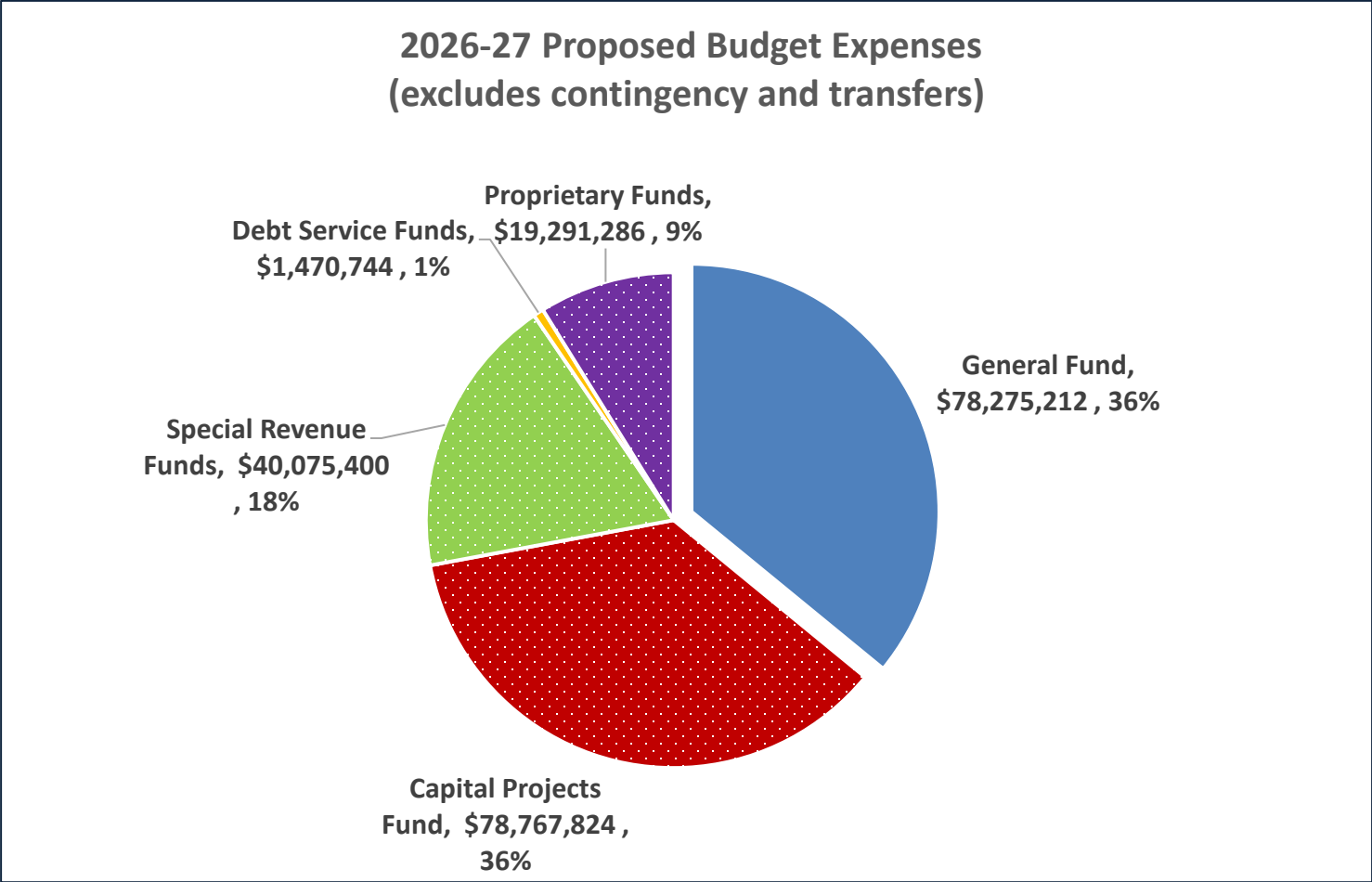
- Need to support continuous improvement in meeting student needs
 - Student needs change over time and training to meet those needs must evolve as well
 - Mid-Career faculty seek training on changing student needs and time commitment to FYFE hinders ability to offer it
- Room for adjustment
 - This proposal reduces FYFE funding, not any other funding related to CTL
 - CTL's budget is underspent well in excess of this reduction this year
 - This excess has been present in at least the prior 3 fiscal years

Support Students Beyond the General Fund

Other funds & financial summary

FY 2026-27 Budget Includes \$139.6 M of Non-General Fund Resources

- Two-thirds of the resources supporting the College are outside of the General Fund
- Financial Aid, dedicated fees, grants, Bond Funds, and debt payments



Why Grants Matter in the Budget Process



Fall 2025, 50 students per week requested support through CSRT, and increase from 15 per week Fall 2024



\$1.62 million in student support* to be allocated from current portfolio



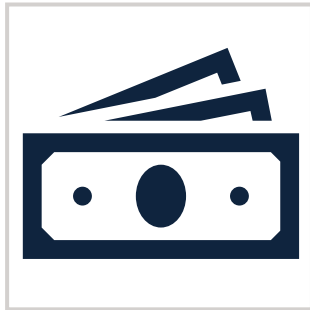
12 out of 24 grants totaling \$7.1 million directly support priority populations.



Approximately 50,000 hours of dedicated staff time that directly invest in program innovations and outcomes for students



Bond Project Investments



Planned expenses of more than \$50 M of bond funds to support the built infrastructure



Keeping on our target for project completion



Information posted in our Bond Oversight meetings with community group involvement

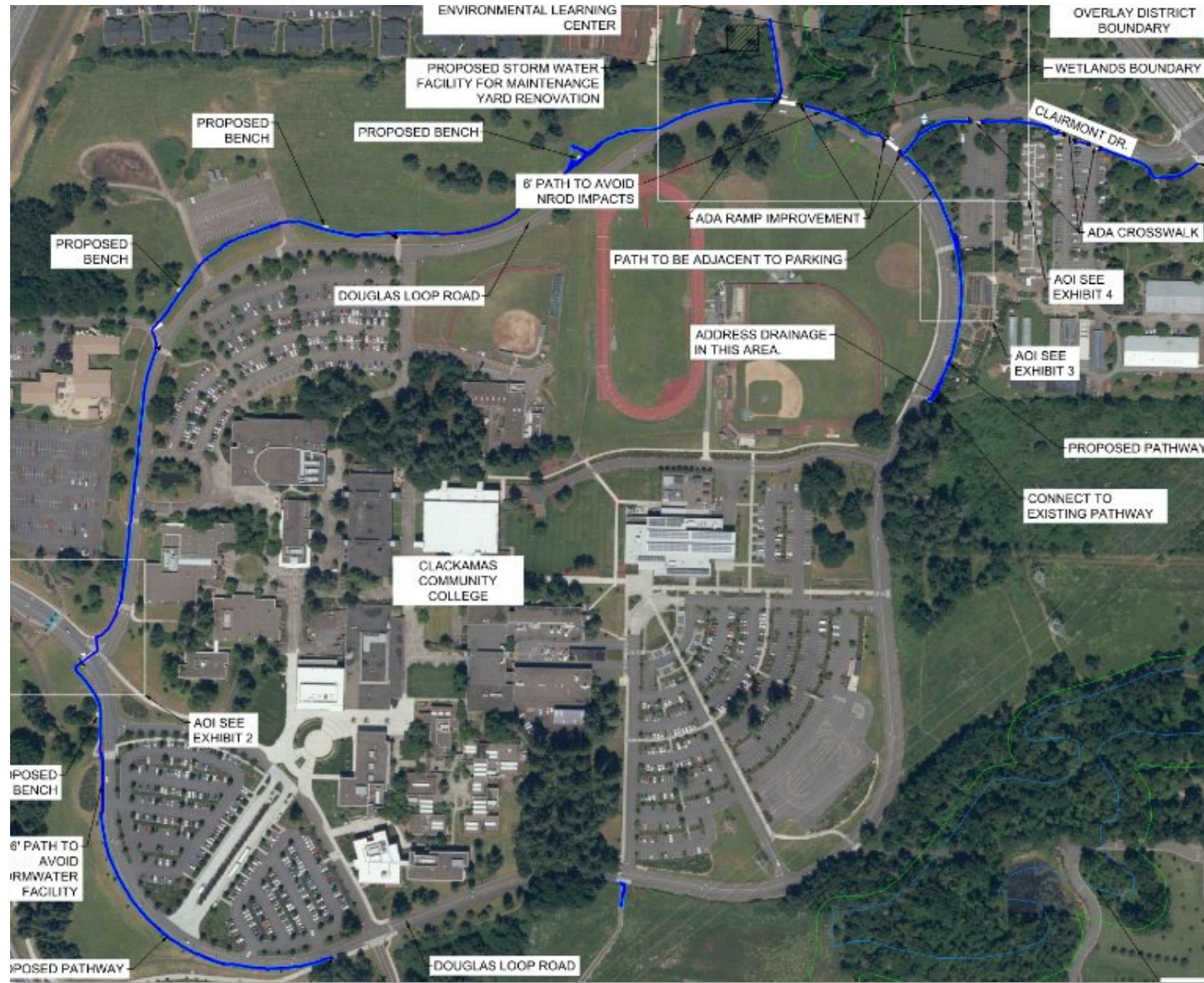
Natural Resources Center of Excellence



Athletic Fields



Douglas Walking Trail Loop



Summary of Proposed Budget

Bring back to guiding principles throughout

Summary & Closing

Support for students
and mission of CCC
guided hard
decisions

Preparing scenarios
provides options to
assess trade-offs
and impacts.

Very important to be
ready now, and
potentially in the
future

Open to discussion

Reference documents & Tools Utilized Details

Composition of the Budget Committee



Who is the CCC Budget Committee?

Membership includes seven community members and seven members of the Board of Education



What Budget Committee Members will receive in support of their work?

Access to CCC staff for follow-up questions
Briefing on the contents of the Proposed Budget



Purpose of Budget Committee Meetings in May

Meeting 1: Share contents of Proposed Budget
Meeting 2: Time for discussion and public testimony. Action to approve the budget



Narrative Template Required for Budget Proposals

- ✓ Statements of costs and actions to achieve savings
- ✓ Summary of reduction, what would be achieved and costs associated with the proposal
- ✓ Summary of findings from the Cougar Pause
- ✓ Timing to implement
- ✓ Costing methodology

BAS was presented three initial scenarios

Scenario A: Revenue Reliant

- 11 proposals to increase revenues
- Reduction of 6.0 FTE staff positions
- Relies on sound Fiscal Management (constrained discretionary spending)

Scenario B: Mix of revenues and expenses

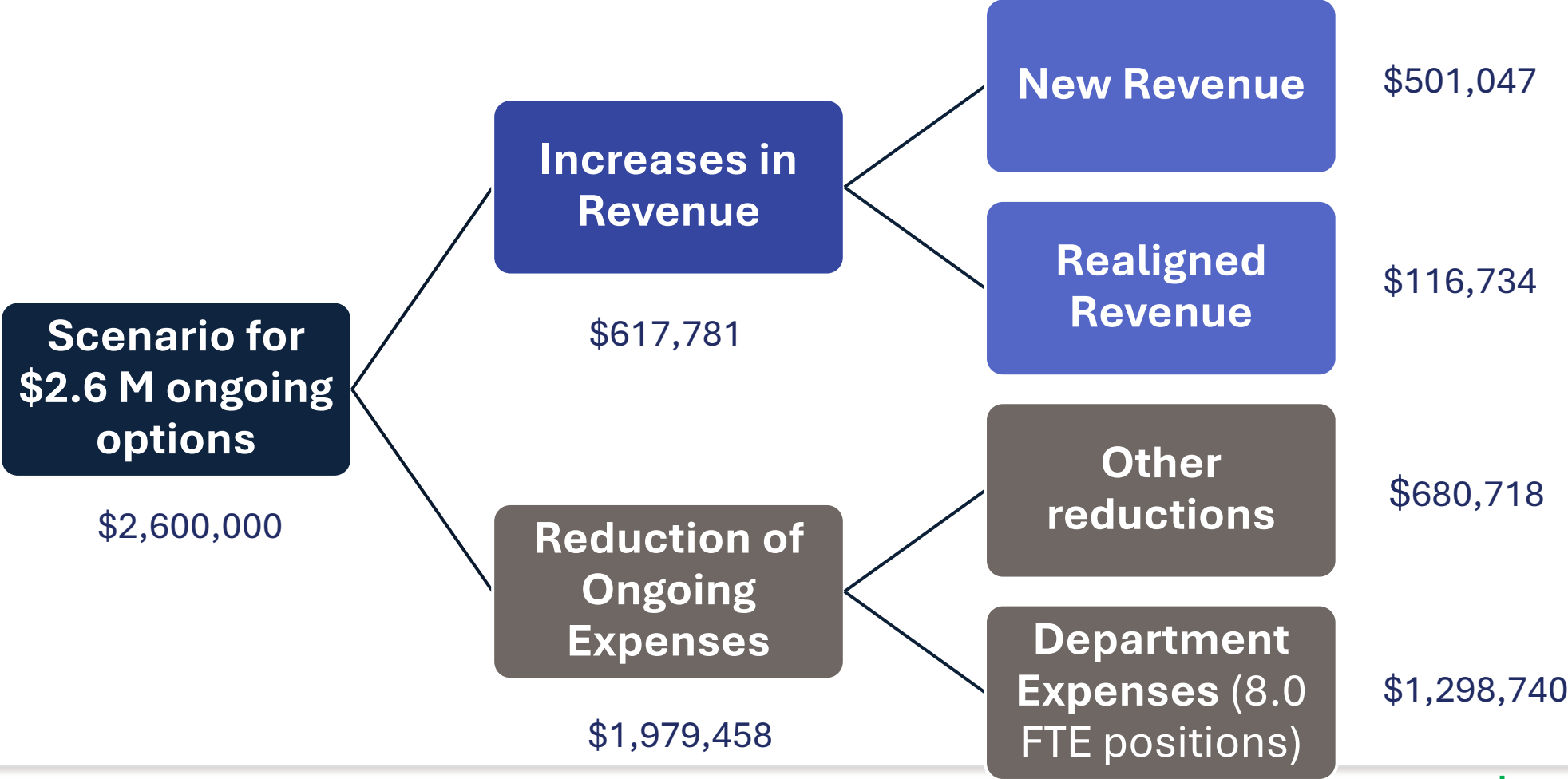
- 6 proposals for revenues
- Reduction of 8.0 FTE staff positions
- Uses fiscal management tactics and other variable expense reductions

Scenario C: Expense Reliant

- Revenue from tuition and fees only
- Reduction of 11.0 FTE staff positions
- Less reliant on fiscal management tactics



Example of a \$2.6 Million Dollar Scenario



Rubric for Scoring & Reference

CCC Mission: As our community's college, we cultivate equitable, innovative, and responsive education.

Criterion	Weight (0–1)	Score 1	Score 2	Score 3	Score 4	Score 5
Impact to Students	0.30	Minimal: No significant effect on student access, success, or equity.	Low: Minor inconvenience; mitigations available.	Moderate: Noticeable effect on student services or educational outcomes.	High: Significant negative effect on retention/completion.	Severe: Major harm to access, success, or equity.
Impact to Revenue	0.15	Minimal: Negligible revenue loss (<0.1% annual).	Low: Small revenue loss (0.1–0.5%).	Moderate: Revenue risk (0.5–1%).	High: Substantial loss (1–2%).	Severe: Major loss (>2%) or jeopardizes key funding.
Impact to College Longevity	0.25	Minimal: No long-term strategic impact.	Low: Slight setback; recoverable within a year.	Moderate: Slows mission-critical capacity.	High: Impairs future competitiveness or compliance.	Severe: Endangers accreditation/mission viability.
Impact to Staff	0.15	Minimal: No layoffs; manageable workload changes.	Low: Small redistribution or delayed hiring.	Moderate: Notable workload/morale impact; retraining needed.	High: Layoffs or significant attrition risk.	Severe: Systemic morale/retention risk; labor issues likely.
Impact to Financial Sustainability (5-year)	0.15	Minimal: No long-term financial risk; sustainable.	Low: Minor adjustments needed over 5 years.	Moderate: Requires pre-planned interventions to maintain stability.	High: Significant structural changes needed for sustainability.	Severe: Threatens financial viability within 5 years.

Strategic Budget Decision Process

