

Questions received for FY 2024-25 Proposed Budget

Question 1:

Tuition jump to 16.28M (pg 15) - It would be great to know how we got from 14.257M to 16.281M in tuition fees for 23-24 and 24-25. I did some back-end math and suspect it's assuming 10% growth in students + 4% revenue fee increase (\$121 to 126 [pg 12]), but President Cook outlined that enrollment increased 10% for 2023-24 (pg9) and looking at page 27 I'm seeing only a 5% jump for 2024-25. Sorry if this is asking a lot but it would be great to know how we got to the 16,281,480 tuition #. I envision it would be something like students in 2023-24 = xxx students * xxx growth rate * xxx estimated number of credits per class = 16,281,480.

Answer:

The enrollment figures for Academic Year 2023-24 are up by 10% as compared to the prior academic year. This increase in enrollment for the current academic year is 5% more than our forecast for enrollment increases were at this time last year- essentially, we “beat” the forecast odds for a one-year snapshot, and this is a positive trend for post-pandemic recovery.

The change in enrollment at 5% for FY 2024-25 is based off a conservative enrollment forecast amount at 5% over our current enrollment figures. There is risk in the forecast if enrollment does not materialize, as the college would face financial risk if we over-forecast enrollment and the resources from tuition are not received.

Fiscal Year	Tuition per Credit In-State Rate	Change (\$)	Change (%)	Reimbursable Student FTE	Change (Amount)	Change (%)	Student Headcount (Actuals)	Student Headcount per FTE
2024-25 Budget	\$126	\$ 5	4%	5,535	264	5%		
2023-24 Budget	121	4	3%	5,271	509	11%		
2022-23	117	6	5%	4,762	227	5%	19,857	4.2
2021-22	111	3	3%	4,535	(194)	-4%	18,842	4.2
2020-21	108	5	5%	4,729	(846)	-15%	17,625	3.7
2019-20	103	3	3%	5,575	(681)	-11%	21,652	3.9
2018-19	100	7	8%	6,256	(268)	-4%	24,565	3.9
2017-18	93	3	3%	6,524	(537)	-8%	25,456	3.9
2016-17	90	3	3%	7,061	144	2%	25,482	3.6
2015-16	87	3	4%	6,917	(221)	-3%	26,034	3.8
2014-15	84	-	0%	7,138	(111)	-2%	25,793	3.6

Question 2:

Other Local Revenue (pg 15) - Forgive my lack of knowledge, what is "other local revenue"? Is this the bond?

Answer:

There are three main fund groups that have “other local revenue” and the following is a summary of accounts that make up this category:

Debt Service Funds use this category to recognize the resources from our self-assessment of PERS costs to ensure that we can pay for the costs of our retirement obligations associated with

pension bond principal and interest. In this fund there is just over \$5.5 M of resource associated with this category and it's the largest grouping of resources describes as "other local revenue". The next largest category is in our Special Revenue Fund grouping at \$1.9M. Approximately \$185,000 is revenues received from the athletics program and the student life and leadership program. These resources stay in the specific Funds to be used as a resource in addition to the dedicated student paid fees. The larger amount of other local revenues is \$1.7M in the Grants & Contracts Fund where the college donor revenues to support Foundation Scholarships.

Finally, the General Fund has just under \$1M of other local revenue where discretionary funds that are not tied a particular expense or program are received. The primary revenue in the General Fund is interest earnings for the fund.

Question 3:

Wages and salaries (pg 15) - proposed wages only went up 2% in a year where inflation has seen a 7% jump. Potentially there was contract negotiations before 2022-23 (since I see a jump from 42M to 48M) that may be the reason why, but I just want to make sure the employees of CCC are getting proper wages (bc if not, will lead to dissatisfied employees and turnover).

Answer:

The wages and salaries were increased over the last three years following the Consumer Price Index for west-coast cities and the Proposed Budget includes a Cost-of-Living Adjustment per the table below. The periods of high inflation occurred between FY 2020-21 and FY 2023-24 where COLA was in the 7-8%. The table also highlights how different employee classifications, length of service, and bargaining agreements also factors into the overall wage changes year to year.

In addition to COLA percentage increases, the college has a practice in the Grant Fund of putting placeholder dollars for payroll expenses for grants where there is an outstanding application or potential applications to be processed and received during the year. By using placeholder dollars, we do not need to amend the budget with each grant award. There also is no associated expense if the grants do not materialize. If the amounts of grant personnel services are included in the year-to-year comparison, the total change is 2%, but when the grant fund 'placeholder' is taken out of the calculation the annual change in wages is 5.3% as compared to FY 2023-24.

COLAs by employee group

Employee Group	7/1/2021	7/1/2022	7/1/2023	7/1/2024
Classified	2.25%	7.4%	4.5% cap	3.0%
FTF	3.20%	6.0%**	7.9%	4.4%
CCAF	3.2% or 6.7%*	4.5% cap +2%***	7.9%	4.4% + 2%****
Admin Professional	1.20%	7.4%	4.5% cap	3.0%
Administrative	1.20%	7.4%	4.5% cap	3.0%

* +3.2% for levels 1-4, 6.7% for level 5

** includes a 1.8% one-time signing bonus

*** capped at 4.5% - but provides an additional 2% annually for three years for pay parity

**** bumpers of 3% - 4.5% with a +2% added for three years to achieve pay parity

Question 4:

Repairs and Maintenance (pg 16) - what was the main reason for the jump from 3.656M to 4.278M from PY to proposed CY?

Answer:

The category for repair and maintenance has several sub-accounts nested within. The primary cost driver in the general fund is associated with contracts for services or software agreements supporting the College Enterprise Resource Planning (ERP) software, our agreements for licensing of software supporting instructional environments (on-site and hybrid leverage classroom technology), Microsoft business suite for faculty and staff, one-time enhancement for cyber security as examples- 56% of this grouping of accounts is in the Information Technology operating Budget in the General Fund. The remaining resources are split between Campus Services where the daily operations and maintenance of the College facilities are recorded, and with four other departments who maintain their own technology service agreements (example, the finance reporting software is paid for in the Business Office).

There also are projects in our Major Maintenance Fund where repairs for large systems (HVAC or boilers for example) are currently underway, but not complete in the current fiscal year so we carried forward the balance of the project into the next fiscal year. There is \$495,000 of resources for these larger system repairs and maintenance.

Finally, while not in this exact category of materials and services, we are experiencing increases for all utilities (electricity, natural gas, water, sewer, and solid waste disposal) ranging between 12-20% by utility type. The college is prioritizing energy efficiency upgrades while performing major maintenance of our asset base as a strategy to assist with lowering consumption for utilities. Some of these projects are also in this general category for repair and maintenance services.

Question 5:

Forgive my lack of knowledge on the process, but I'm interested to get a general outline of how payments for tuition are made and/or collected. E.g. Do students have to make payments in advance, or do they pay at the end of the class? If the latter (or any sort of payment plan), what is the collection cycle like?

Answer:

The CCC website has the following information shared with prospective students:

<https://www.clackamas.edu/admissions-financial-aid/tuition-fees>. There are options that are geared towards flexibility for Tuition payment. Tuition is due at either the time of registration, or the student may select a payment plan allowing for three equal bi-weekly installments during the term with the last payment being made by the 6th Friday of the term. Many students receive financial aid, and the details for students who elect to pursue financial aid or scholarship options are on our website here: <https://www.clackamas.edu/admissions-financial-aid/financial-aid-scholarships>

a. And if there is a collection cycle, are payments referred to debt collectors? And if so, do we have a figure on the # of students who've had collections called. I ask because I hope there aren't any students that have had collections called on them.

There is a collections process for failure to pay tuition. The steps for collection are: CCC attempts internal collections by sending out demand letters at the end of the term beginning 30 days after the term has ended. We send out two demand letters, giving the student approximately 80 days after the term has ended to resolve their debt before we place them with a third-party collection agency. Although we say payment is due at the time of registration, the college is very generous with a grace period for payments. The student essentially has the full term from the time they register to the time we send out our final demand letter to pay off their debt. If they are successful in paying this off before we place the account with collections, then the student is only assessed a late payment fee of \$100.00.

If the debt goes unpaid and the overall debt is \$150.00 or more, we first place the account with the Oregon Department of Revenue (ODR) for full collections. They do assess a collection fee, but they do not do credit reporting. The account typically stays at ODR for a full 12 months. If the debt is considered uncollectible, then the account is returned to CCC and we cycle the account to our second collection agency, which also assesses a collection fee, and they do credit reporting.

Both collection agencies work well with our students and can accommodate multiple payment options.