

CLACKAMAS COMMUNITY COLLEGE
2026-27 BUDGET
Budget Message

May 1, 2026

Dear Colleagues,

On May 24, 1966, 62% of the people voted to form the CCC district. In the 1966-67 school year, a total of 693 students were enrolled, and our first graduated class had 70 students. A lot has changed in 60 years, but our dedication to serving our community, supporting student success, and maintaining fiscal responsibility has never wavered.

As part of the 2026-27 Budget, this message is prepared with pride in an institution that continues to work toward fulfilling its mission to cultivate equitable, innovative, and responsive education. Our college continues to positively impact the lives of students, employees, and the community. In our 60th year of operation, I am reminded of our responsibility to the community not only to today, but to future generations.

The development of the FY 2026–27 Proposed Budget is an opportunity to align our values with our resources amid increasing fiscal challenges. The budget process is designed to be deliberate, transparent, and inclusive — grounded in shared governance and equity — with the intent to reduce harm to students, employees, and services, while contributing to the long-term sustainability of Clackamas Community College.

The following sections of the Budget Message outline how the College approached planning for the FY 2026–27 budget, the Cougar Pause strategic equity framework, use of our shared governance structure, and decisions impacting the General Fund.

Budget process for Fiscal Year 2026-27

The FY 2026-27 Proposed Budget is grounded in the budget principles adopted by the Board of Education. These include being fiscally sustainable by not relying on one-time funds, keeping in alignment with the college’s mission and values, integrating our shared governance structure at appropriate levels, and intentional reflection on impacts through the Cougar Pause equity framework.

Planning for FY 2026-27

Planning for the College’s annual all-funds budget begins each fall with a focus on aligning available resources with institutional priorities, particularly within the General Fund. This early planning phase includes updating financial forecasts, examining enrollment trends, and incorporating the most current information related to revenues and expenses.

Last year’s FY 2025–26 Adopted Budget incorporated \$2.3 million in net revenue growth and expenditure reductions, while leaving approximately \$650,000 to be addressed through ongoing process improvements. While this approach intended to close the remaining gap over time, two significant developments required a reassessment of that plan.

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In November 2025, the College's updated financial forecast showed the structural deficit had increased to \$1.2 million. Shortly thereafter, the Higher Education Coordinating Commission (HECC) advised all 17 Oregon community colleges to prepare for potential state funding reductions of between 2.5% and 5.0%, effective July 1, 2026.

These developments substantially changed the College's fiscal outlook. Because approximately two-thirds of the College's revenues are tied to the state forecast, the combined impact of a growing structural deficit and the possibility of reduced state funding increased potential budget reductions from \$1.2 million to as much as \$4.0 million. In response, our planning assumptions shifted, and I directed college leadership to develop a range of expense reductions and revenue options to support informed decision-making during the FY 2026–27 Budget process.

Reductions and Revenue Options

Throughout the budget development process, the College faced certainty in the need to address a structural deficit, alongside uncertainty regarding potential reductions in state funding. To respond to these conditions, college divisions were given target dollar amounts, and they developed budget reduction and revenue options, which were submitted to college leadership in January. Forty-two options totaling \$3.4 million were received and reviewed in early February for feasibility and accuracy and organized into scenarios using financial modeling and a weighted impact matrix grounded in the College's mission and vision. During March and April, scenarios were further refined with input from the Budget Advisory Subgroup. This iterative and collaborative process resulted in a Proposed Budget for FY 2026-27.

Cougar Pause

The FY 2026–27 budget marks the first time the College applied the Cougar Pause strategic equity framework throughout every phase of budget development. The framework intentionally builds reflection into decision-making by creating space to consider who is impacted by budget decisions and how. The Cougar Pause was used during initial planning, the development of reduction and revenue proposals, the evaluation of tradeoffs, and the preparation of public budget materials for the Board of Education.

Every budget proposal submitted by divisions and departments included Cougar Pause documentation, ensuring equity considerations were addressed at the point of origin. These reflections informed discussions within the Budget Advisory Subgroup, where questions about impact, access, and unintended consequences helped shape feedback and revisions.

Executive Team members also used the Cougar Pause tool in their review of budget decisions regarding personnel, grounding discussions in shared values and equity considerations. Decisions that affect positions — whether filled or vacant — are among the most difficult aspects of the budget process, as they represent real people and the work that directly serves students and colleagues. Applying the Cougar Pause framework helped ensure these decisions were approached thoughtfully, balancing fiscal responsibility with care for our community and commitment to our mission.

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Shared governance

The development of the FY 2026–27 Proposed Budget reflects the College’s shared governance principles, with different groups contributing expertise and perspective at appropriate stages of the process. Budget and Finance staff serve as process stewards, providing financial analysis, scenario modeling, and consistency across proposals. Extended leadership plays a critical role by identifying potential reduction and revenue options within their respective areas, ensuring proposals are grounded in operational knowledge and mission aligned priorities.

The 42 proposals were reviewed for consistency, feasibility, and potential impacts. At my direction, three scenarios totaling \$2.6 million were developed and shared with the Budget Advisory Subgroup to support meaningful review and advice. From late February through April, the Budget Advisory Subgroup met regularly to assess the scenarios, surface potential unintended consequences, and offer implementation perspectives. This advice informed Executive Team deliberations, which resulted in recommendations for inclusion in the FY 2026–27 Proposed Budget.

Fiscal Year 2026–27 General Fund Proposed Operating Budget

The Fiscal Year 2026–27 General Fund Proposed Operating Budget allocates \$87.9 million in net resources to support the college’s primary operations. As is typical for public institutions, approximately 85% of General Fund expenditures are dedicated to personnel. This budget reflects a \$1.4 million reduction in General Fund expenses with no loss of currently filled positions in the General Fund.

Key budget adjustments include:

- Net reductions to 4.09 FTE vacant positions.
- Efficiencies in scheduling sections of classes.
- Reduced flexibility in staffing and materials line items.
- Increases in Board-approved tuition and fees.
- Realignments of revenues for cost recovery.

The Board of Education approved a tuition increase of \$6.00 per credit hour (\$136 per credit) for in-state students and \$9.00 per credit hour for out-of-state students. These increases fall within the anticipated growth range of 3–5%. General student fees were also increased, consistent with their scheduled review cycle of every three to four years and will likely be reviewed again in FY 2028–29 for adequacy and potential adjustment.

The FY 2026–27 Proposed Budget includes a series of ongoing expense reductions and revenue adjustments necessary to balance general operating expenses with projected revenues. All reductions will have organizational impacts, though they are designed to support long-term financial sustainability. Summary tables in the Proposed Budget reflect these changes to revenues, expenditures, and full-time equivalent (FTE) positions within the General Fund. Additional detail on all fund resources, expenses, and position

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management, including a comprehensive list of reductions and revenue changes, is provided in the Budget Analysis section of the Proposed Budget.

| Summary Budget Reduction | General Fund Reduction Amount |
|---|--------------------------------------|
| Position Reduction (elimination of 4.09 FTE) | \$ (614,483) |
| Position Reduction (realignment of 1.0 FTE to fee funding source) | \$ (117,176) |
| Reduction for section management & future planning | \$ (298,137) |
| Reduce variable personnel services | \$ (103,188) |
| Reduce variable materials services | \$ (272,540) |
| <i>Expense reductions and realignment</i> | <i>\$ (1,405,524)</i> |

| Summary Changes in Resources | Additional Resources |
|---|-----------------------------|
| Revenues approved by Board: Increase tuition and fees | \$ 483,700 |
| Realignment of funding sources into the General Fund | \$ 127,310 |
| <i>Changes in Revenues and Realignment of Resources</i> | <i>\$ 611,010</i> |

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Conclusion

The College has made sustained progress over several years toward closing its structural deficit. While these efforts have resulted in meaningful improvements, ongoing challenges remain due to reduced state and federal funding and continued enrollment uncertainty. As resources become leaner, financial decisions will grow increasingly difficult; however, the college remains committed to its mission of serving students and the community.

As we mark 60 years of serving our district, we are reminded that stewardship is one of our most important responsibilities. For six decades, this college has served as a trusted community asset — opening doors for students, strengthening our local economy and workforce, and creating opportunities across generations.

From our founding in 1966 to today, CCC has grown from 693 students to serving more than 20,000 learners each year. We continue to carry out our tradition of financial stewardship. This budget is built to carry the college through the three-year forecast without structural deficit, while preserving our ability to invest in student success and institutional resilience.

Next Steps

The Clackamas Community College's Budget Committee, composed of the Board of Education and an equal number of community member appointees, will meet twice in May, culminating in the approval of the proposed budget. In late June, the Board of Education will formally adopt the budget, establish appropriations, and authorize the levy of supporting property taxes.

With gratitude,

Dr. Tim Cook
President, Clackamas Community College