



## President's Report to the Board of Education November 10, 2020

### 1. COVID-19 Matters

- a. **New cases:** Two students have tested positive for COVID-19; the cases were unrelated. Our plan was immediately implemented in both instances, and the county was extraordinarily helpful in the response.
- b. **OR-OSHA:** Effective November 16, there are new OSHA regulations for all businesses, with some specifics for higher ed; those, combined with OHA's requirement for face coverings at meetings, will inform changes to UCC's COVID-19 Health and Safety Plan. When those changes are made, they will be submitted to the Board for approval.
- c. **Campus climate:** Stress related to remote work as well as the passing of two wonderful employees is taking its toll on many people. Due to the escalation in COVID cases along with various manifestations of COVID's impact on the campus, we are following the advice given during a session of last week's OCCA conference and compiling information about our response to COVID: what we are doing well and what we need to improve. This intentionally gathered information will inform changes in operations to better support our students and employees.
- d. **Building closures:** Due to the work-at-home part of our plan to keep people safe and the need to be good stewards of our resources, we are finalizing a plan for building closures for the winter months. Though all buildings will be heated, some will only be heated minimally and will not be open for people to work; if people from those buildings must work on campus part or all of the time, they will be re-located. We are currently completing discussion with several offices and employees before making final decisions.
- e. **GEER/CARES Act.** Quarterly reporting for spending of CARES Act funds is required and can be viewed on our website. We are proceeding with implementing use of new technologies and are reviewing applications for an instructional designer, paid for by CARES Act, who will be instrumental in helping us improve the quality of our online and remote delivery courses. We are awaiting further notification of guidelines for GEER funds, the CARES Act funds that are distributed by the governor's office.
- f. **Accreditation:** USDOE allowance for courses to be offered remotely expires in December. However, our accreditor, NWCCU, is authorized for approval of remote delivery. UCC applied for and was granted approval for continuance of remote delivery of all programs that fall in that category.

### 2. Academics

- a. **OER Grant.** Georgann Willis, UCC faculty member, was awarded a state grant to write an open education resource for PSY 100. This award reflects the expertise of our faculty, dedication to student success, and connection to priorities in higher education.
- b. **Auto progress.** The slate of courses, course outlines, and course descriptions for the new one-year Automotive Technology Certificate were approved by the Automotive Advisory Committee at their 10/29/20 meeting. Budgetary needs of the program are being compiled.

Ford and Fiat Chrysler have tentatively agreed to donate light vehicle diesel engines to the program and to help us acquire additional vehicles for the program fleet.

- c. **SOWI.** We recognize the need for the Southern Oregon Wine Institute while also acknowledging a need to modify our offerings, both in the academic and enterprise operations of SOWI. During this week's SOWI Advisory Committee meeting, we will share data and develop a timeline for making decisions about modifications. In addition to feedback provided during SOWI listening sessions this summer, input from industry and other colleges will be sought and considered. We will meet with the UCC Board of Education next month to provide a more detailed picture of SOWI operations and discuss a pathway for the future.
  - d. **Engineering and Computer Science.** The faculty in Engineering and Computer Science have been charged with developing an academic business plan that streamlines their curriculum and incorporates needs of the future into their programs (e.g., artificial intelligence) that build on current offerings and boost enrollment.
  - e. **Other academic offerings** with chronically low enrolled courses are also on the list for examination and modification.
  - f. **Lockwood:** Plans for renovations are moving forward, with a reduction of the automotive program footprint, expansion of space for welding and fabrication, and inclusion of the apprenticeship program on site rather than at an off-campus location.
3. **Enrollment.** Relative to last year at this time, our reimbursable FTE is down almost 17% while our registered credit hours are down 5.44%. The area that has endured the largest reduction has been Adult Basic Skills. Our enrollments are similar to those at many Oregon community colleges.
  4. **Budget development and resource allocation.** We have begun the budget development process for FY2022. The following principles and assumptions were shared with budget managers as the underpinning for developing budgets:
    - **Budget Principles.** Although it may affect programs and operations, our 2021-22 budget will:
      1. Ensure the college's strategic priorities and mission is fulfilled.
      2. Consider investment and reduction decisions through the lens of college values.
      3. Maintain:
        - Staffing and services at sufficient levels to protect the college's operations and ensure compliance with regulations and laws
        - Sufficient fund balance to help limit current and future risks that could jeopardize the future of the college
        - The flexibility to take advantage of opportunities
        - A balanced operating budget to ensure the long-term fiscal health of the college
      4. Invest in initiatives, strategies, programs and operations that will positively impact student completion and success as well as improve enrollment and retention.
      5. Seek cost-sharing and revenue-producing opportunities that support our mission and strategic priorities such as grants, partnerships, self-support ventures and foundation assistance that may boost operations.
    - **Assumptions**
      1. The College will make data driven decisions with the focusing on sustainability and efficiency of operations.

2. The College can no longer afford to offer chronically low enrolled courses and programs.
  3. We must maintain a healthy ending fund balance while considering multi-year budget planning. Board policy recommends a minimum ending fund balance target of 18% of operations including transfers.
  4. The current mid-range budget scenario projection requires a 4% reduction to balance budgets without increased enrollment or tuition and fee increases.
- **Resource allocation.** For requests to fund strategic initiatives, matters of compliance, or operational imperatives, budget managers must submit a detailed application for the request that will be reviewed and scored by the Institutional Effectiveness Committee, which will in turn make recommendations to the SLT. The College does not have additional funds to support new requests, so budgets will be reviewed and reorganized where possible in order to fund critical need operations related to compliance and strategic plan priorities.
  - **Ending fund balance.** Because the State did not decrease the state allocation for FY 2021 as anticipated (we were told to brace for a 17% decline), the cost saving measures implemented at the end of FY 2020 resulted in a healthy ending fund balance that we are carrying forward. It is essential that we maintain this balance because of the projected reduction in the state allocation for the next biennium along with projected declines in enrollment. In the moderate forecasting scenario (10% reduction of current funding formula and 10% decline in enrollment), we project a deficit of \$765,022 in the first year of the biennium and \$1,594,821 in the second year. Planning ahead for these shortfalls is necessary because of the deep cuts we have already made, rendering it difficult to balance the budget through further reductions. We will be watching Oregon's December and March economic forecasts as well as the next legislative session to inform our budget development and management.