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**Klamath Community College**  
**Budget Committee Meeting**  
7390 South Sixth Street \* Klamath Falls, Oregon 97603  
Wednesday, May 03, 2023 6:00 PM

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**MINUTES**

**I. CALL TO ORDER**

Board Chair, Kenneth DeCrans, called the Klamath Community College Fiscal Year 2023-2024 Budget Committee meeting to order at 6:00 pm. The Pledge of Allegiance followed.

**Members Present:** Michael Stuhr; Linda Dill; Ray Holliday; Kate Marquez; Laura Limb; Kenneth DeCrans; Dave Jensen; Julie Matthews; Rhoda Keown; Kathleen Walker-Henderson; and Carissa Catterall, Non-voting Board Member, ASKCC President. A quorum was confirmed.

**Members Absent:** Dr. Paul Hillyer (excused), Jeffrey White (excused) and Helen Petersen.

**Staff Present:** Dr. Roberto Gutierrez, President; Jamie Jennings, Vice President; Gail Schull, Vice President; Geoffrey LaHaie, Vice President; Charles Massie, Vice President; Joshua Guest, Executive Director; Nicole Baker, staff; Denise Reid, staff; and Shannon Childs, Secretary to the Board.

**Guests:** None.

**II. WELCOME**

Dr. Roberto Gutierrez, President, welcomed everyone and thanked everyone for their time and commitment to the College. Introductions were made of attendees.

- A. Dr. Gutierrez introduced Klamath Community College (KCC) staff, Gail Schull, VP Student Affairs; Geoffrey LaHaie, VP of Administrative Services; Jamie Jennings, VP of Academic Affairs; Charles Massie, VP of External Affairs; Joshua Guest, Executive Director Human Resources/Legal Counsel; and Shannon Childs, Secretary to the Board.
- B. The Board of Education and Budget Committee members present introduced themselves.

KCC Budget Committee

Board of Education Members

Kate Marquez, Zone 1  
Kenneth DeCrans, Chair, Zone 2  
Rhoda Keown, Zone 3  
Dave Jensen, Zone 4  
Linda Dill, Zone 5  
Helen Petersen, Zone 6 (not present for introduction)

Citizen Members

Ray Holliday  
Jeffrey White (not present for introduction)  
Julie Matthews  
Laura Limb  
Paul Hillyer (not present for introduction)

Kathleen Walker-Henderson  
Michael Stuhr

VP LaHaie introduced Denise Reid, Controller and Nicole Baker, Assistant Controller.

### **III. NOMINATION OF BUDGET COMMITTEE CHAIRPERSON**

#### **A. Changing of the gavel**

#### **Nomination for Ray Holliday to serve as Chair.**

Nomination by: Kate Marquez

#### **Motion: To close nominations**

Motion by: Dave Jensen

**Action: Nomination passed. Unanimous approval.**

Chair Holliday shared some appreciation for respectful order of the meeting, noting that a break will be taken as needed during the meeting.

### **IV. PRESIDENT'S UPDATE**

A PowerPoint was handed out.

Dr. Gutierrez gave an introduction of the college mission statement and strategic plan initiatives via PowerPoint. It was noted that each budget ask is tied into the strategic plan initiatives. Student success was highlighted, including the ability to adapt quickly, the instrumental grants office, and the Grow Your Own Teacher Grant. Future-focused education and services were shared including CARES Act funding, and dual credit and high school tuition program increases. The graph of Enrollment-Service trends was previewed looking at each of the 17 community colleges. Organization viability was looked at highlighting Cosmetology and International student programming. Community Engagement through a pre-apprenticeship with a local area high school was shared, along with collaboration on Science, Technology, Math, and Engineering (STEM) pathways. Dr. Gutierrez reviewed advanced planning and strategy with examples of the state-of-the-art Apprenticeship Center, the childcare facility with Oregon Child Development Coalition with land from Klamath County, and the Cosmetology program.

Dr. Gutierrez shared Senate Bill 3 history, which is the availability for community colleges to offer bachelor's degrees. Senate Bill 523 passed the Senate and is now at the House, which is the bill allowing community colleges to offer a Bachelor of Science in Nursing (BSN).

### **V. OVERVIEW OF THE BUDGET PROCESS**

VP LaHaie reviewed the role of the Budget Committee and the budget process via PowerPoint. The overview of the Budget Process was shared, as outlined in the PowerPoint.

### **VI. BUDGET MESSAGE and POWERPOINT**

VP LaHaie continued to review the PowerPoint beginning with the 2023-24 fiscal year budget highlights. PowerPoint slides included the proposed budget of \$69,898,372, general fund revenue sources (by percent, by object, and by activity), greatest challenges, revenue and expenses, Full Time Equivalent (GTE) Trend, responses to challenges, tuition increases, Oregon Community College Tuition, and other proposed budgeted funds.

VP LaHaie highlighted the budget difference document. VP LaHaie shared that anything that had a variance of over 10%, was logged and noted why on the document.

Trustee Dill inquired on the decrease in Lake County by 35%. VP LaHaie explained this was outsourced instead of having someone there in Lake County. KCC is now paying for part of a position. This covers outreach to all of Lake County.

Following Ms. Limb inquiry on auto and diesel, VP Jennings shared that there has been significant increased enrollment in auto and diesel, so a coordinator was hired to address student need.

Ms. Limb asked for information on hair and nails. VP Jennings shared that last year's budget was for half a year of operation, so it doubled this year for a full year of operation. This is the largest program generating 70 FTE at \$9,000 per FTE, in addition to tuition revenue and auxiliary services. Dean Allison Sansom is the dean over the area, which is a good fit with labs and clinicals. The College is working with local talent, Lynelle Lynch, as chair on the advisory committee. Ms. Walker-Henderson shared her thoughts on this being a great acquisition and feels it would do well. VP Jennings shared that Cosmetology is frontloaded similar to Nursing, so they get a kit up front that goes with them through the program. Roundhouse is going to help support this \$2,000 cost per student. KCC is the only community college in the state offering a Cosmetology program and has developed pathways to licensure. This is much more accommodating to students. A lot of research was done on out of state models. All the classes were converted to academic programming adding general education, personal finance, work with Small Business Development Center, and increases technology work for learning. There are also better supplies and materials than what was provided in the past. Between Oregon Promise, scholarships, and work study, students have more option for funding as well. KCC is also looking at a Bachelors is Salon Management. Credit for prior learning was highlighted.

Dr. Gutierrez shared that at any time, the committee can contact the CFO (Chief Financial Officer) and schedule a time to meet with the CFO to ask questions. This information will need to be added to the packet for next year.

## **VII. GENERAL FUND**

Ms. Limb referred to page 29; what is the facility use fee of \$5,000? VP LaHaie shared that since COVID, the facilities are being utilized much more.

Public Employees Retirement System (PERS) increasing was discussed. VP LaHaie shared that for paid leave the employee must pay .6%, the College is going through a private insurance company and will be paying .58%. It was felt a private company would do better.

Ms. Limb referred to page 34; what type of equipment is in the increase in the narrative? VP Jennings shared this was a mistake. The course fees were reduced in science.

Chair Holliday inquired if there was an overall increase in fees. VP LaHaie shared that fees stayed the same unless they were class specific. VP Jennings shared that many fees actually went down. Adjustments are made in real time. There were some adjustments made to Cosmetology to cover new products. The inflation rate for supplies make it difficult to estimate. KCC adjusts fees annually if there is carry over. VP LaHaie shared that fees has be used for what they were collected for. Ms. Walker-Henderson shared that fees are not collected for high school or military using the calculator provided by Institutional Research. A discussion on fees for high school was held.

Ms. Limb referred to page 36; art and letters was referred to in the narrative, how do you make a student want to stay at KCC? VP Schull shared there are general student and engagement efforts. VP Jennings shared this is an interest area for students and the labs are an opportunity for students, such as drawing class and various resources used. Dr. Gutierrez shared this had a lot to do with the engagement of faculty. There is an Art Show every term.

VP Jennings shared that KCC is currently partnering with Rogue Community College for the paramedic program.

Chair Holliday inquired on the printing going to zero. VP LaHaie shared this line was swept and put into the Human Resources (HR) Budget as this was all for business cards and HR orders them during onboarding.

Ms. Limb referred to page 53; the current staffing not adequate in Welding was inquired on. VP Jennings shared the second round of Future Ready Grant the college is requested a full-time faculty hoping it is a grant funding position with a target on Manufacturing.

Chair Holliday inquired on the Cost Margin Analysis (CMA) for Welding and Diesel with a negative CMA, but positive FTE. VP LaHaie shared the programs were high in hours, which has significant FTE for teaching, but KCC pays for hours, which shows in the CMA. The FTE provides state funding which balances this. Trustee DeCrans shared that there are other programs that need the classes as well.

Ms. Limb inquired on contracting services going up again, such as Cosmetology. VP LaHaie shared that in Cosmetology, this will be janitors and a special software program. This will be continual every year.

Ms. Limb referred to page 60; inquiry was made on what \$200,000 in contracted services was. VP LaHaie shared the Commercial Driver's License (CDL) is contracted out and then the college collects from the student. The program has increased significantly.

Chair Holliday referred to page 61; what is contract ed reimbursement in administrative staff when it is not in the line item? VP LaHaie shared that this is coded to another area and is not reflected here. Dr. Gutierrez shared that this was reorganized to another division which is part of the change.

Ms. Limb referred to page 67; what is the change in contract services? VP LaHaie shared this is a service that the college is buying for software, and it will move forward if the college likes it. This is the first year of use. VP Jennings elaborated that part of this is the college re-negotiating a contract. Equipment is also being added to this area for students with digital technology disabilities. Dr. Gutierrez highlighted that most colleges do not have Centers for Teaching and Learning, but it is an important investment for students and faculty.

Ms. Limb asked if the line items for Information Technology (IT) subscriptions would be better to have them in one area. If they are all out individually they may be hard to track. VP LaHaie shared that many of these go through IT. There are some departments that prefer to have these themselves.

Ms. Limb inquired if there was a clearing house for subscriptions that had more than one subscriber at the college. VP LaHaie shared that the business office is catching this through similar vendors. VP Jennings shared that many areas roll various department subscriptions into one area for better control. There is a review process for all contracts.

Chair Holliday called a ten-minute break at 7:22 pm.

Chair Holliday called the meeting back to order at 7:32 pm.

Chair Holliday referred to page 68; the Ramsey Corporation was mentioned and it was inquired who they were and what they did for KCC. VP Jennings shared that KCC was sought out by Ramsey and KCC was approached during the pandemic, being the only testing center open at the time. VP Jennings shared the various tests that are offered and some details on the partnership.

Ms. Limb referred to page 67 and 69; software was inquired on. VP LaHaie shared this is multiple contracts under \$5,000 for teaching and learning.

Chair Holliday referred to page 69; it was inquired what the relief of budget at line item detail meant. VP Jennings shared that about three years ago many lines items were moved from the Career and Technical Education (CTE) programs into one CTE Administration budget. The budget was cut by pulling this together in one area. Some budgets have been split back out for tracking purposes, such as Cosmetology. Ms. Walker-Henderson inquired on the life work experience. VP LaHaie shared that labor is part of the lab.

Ms. Limb referred to page 72; it was inquired why contracted service was doubled. VP LaHaie shared this was the counselor through Klamath Basin Behavioral Health (KBBH). It was noted this was a great partnership at the college. The KBBH counselor spends 36-38 hours on campus each week. This budget would also cover a KCC's portion of a second person.

Ms. Limb referred to page 75; inquiry was made on administrative salaries being doubled. VP Schull shared this was ½ the Directors salary and the Coordinator.

Ms. Limb referred to page 83; what is the marketing? VP Schull shared this was marketing for the College. Dr. Gutierrez shared that this area has been re-organized. Retention software is also part of this.

Ms. Limb referred to page 84; inquiry was made on why Financial Aid is lower, but Pell went up. VP LaHaie shared that this portion of Financial Aid is the support of financial aid, not the portion for the students.

Ms. Limb referred to page 87; what are the contracted services listed? Executive Director Guest shared that contracted services are utilized to help with the overall labor costs and HR events college wide.

Ms. Limb referred to page 91; inquiry was made under district and land purchase. VP LaHaie shared this should be removed, it was rolled from last time.

Ms. Limb referred to page 92; inquiry was made on why contracted services are down, while other are up. VP LaHaie shared that an IT Software program was sunsetted. Anything that connects to computers is here. There was a large amount of laptops purchased from the pandemic here. They get cycled every three years.

Ms. Limb referred to page 93; what are the salaries and support staff? VP Massie shared this should actually reflect two positions, as the grants area is growing significantly. This is a new position to manage post-award.

Ms. Limb referred to page 96; inquiry was made on the communications line item. VP LaHaie shared that this is a service and was not budgeted here previously.

Ms. Limb referred to page 97; it was asked what the equipment was. Executive Director Guest shared that this is covered in security cameras and adding cameras on campus.

Ms. Limb referred to page 98; it was stated that this is down significantly. VP LaHaie shared that this was around Acting President Cam Preus while Dr. Gutierrez was gone.

Ms. Limb referred to page 101; how is wellness done for \$10,000? VP Schull shared that there is a campus Wellness Committee that has used up a grant, hence a campus budget was established to help cover support.

VP LaHaie shared that the College indirect rate was 30%.

### **VIII. SPECIAL REVENUE FUNDS**

Ms. Walker-Henderson referred to page 111; an inquiry was made on the narrative for Lake County. VP LaHaie shared the tech fee included non-credit classes.

Ms. Walker-Henderson referred to page 112; course fees for education are zero and CWE. Most of the time these were for background checks, but when she looked for high school students it was still there, and it should not apply to them. VP LaHaie shared this is not being charged anymore. Since there are actuals in the previous years, it has not fallen off yet. Ms. Walker-Henderson shared that the Course Calculator still has some of this in there and should be checked.

Ms. Walker-Henderson referred to page 161; salary was inquired on. VP LaHaie shared most of this was for faculty, cost of adjuncts and contracted services. Ms. Walker-Henderson shared that it is not transparent where the salary is from and that maybe the grant is paying for some of these salaries. Maybe this could be part of the narrative. VP LaHaie shared that the National Science Foundation was all adjuncts.

The Grow Your Own grant was highlighted. VP LaHaie shared this was to basically grow our own teachers. VP Jennings shared that Grown Your Own is targeting non-traditional students that are already employees in school districts as paraprofessionals who already are employed at the schools. There are student scholarships that can go above the aid package. VP Jennings shared how Grow Your Own supports students.

Chair Holliday asked if the child care program was available to employees also. Dr. Gutierrez shared that it is, however they need to qualify under low-income or have to pay full rate.

Chair Holliday asked about the ability to accept international students and if there were other colleges accepting international students. Dr. Gutierrez shared there are 6-7 other community colleges that have international programs. Dr. Gutierrez is looking at a niche, and that may be with Oregon Tech. The students would have to be here to qualify for the visa. The college has the authority to approve visas.

### **IX. ENTERPRISE FUNDS**

### **X. DEBT SERVICE FUND**

Trustee Jensen asked what the percentage was on debt services. VP LaHaie shared it was 3.25%. The 2006 was just retired. The college has just over \$4M in debt. Dr. Gutierrez shared the history that these

are attached to a few buildings on campus prior to the grant's management. Dr. Gutierrez shared that he would like the Cosmetology and Child Care to be no debt as well.

**XI. CAPITAL PROJECTS FUND**

**XII. PUBLIC COMMENT**

None.

**XIII. APPROVAL OF BUDGET or DATE FOR NEXT COMMITTEE MEETING**

**A. Motion to Approve Budget as Set Forth for Fiscal Year 2023-24.**

Motion by: Kenny DeCrans

Second by: Dave Jensen

Discussion: None.

**Action: Motion passed. Unanimous approval.**

**B. Motion to Approve Taxes for Fiscal Year 2023-24 at the Permanent Tax Rate of \$0.4117 per \$1,000 of Assessed Value for Operating Purposes.**

Motion by: Kenny DeCrans

Second by: Laura Limb

Discussion: None.

**Action: Motion passed. Unanimous approval.**

**XIV. ADJOURNMENT**

Chair Holliday adjourned the meeting of the Klamath Community College Budget Committee at 8:16 pm.

Respectfully submitted by:  
Shannon Childs  
Klamath Community College  
Board of Education Secretary