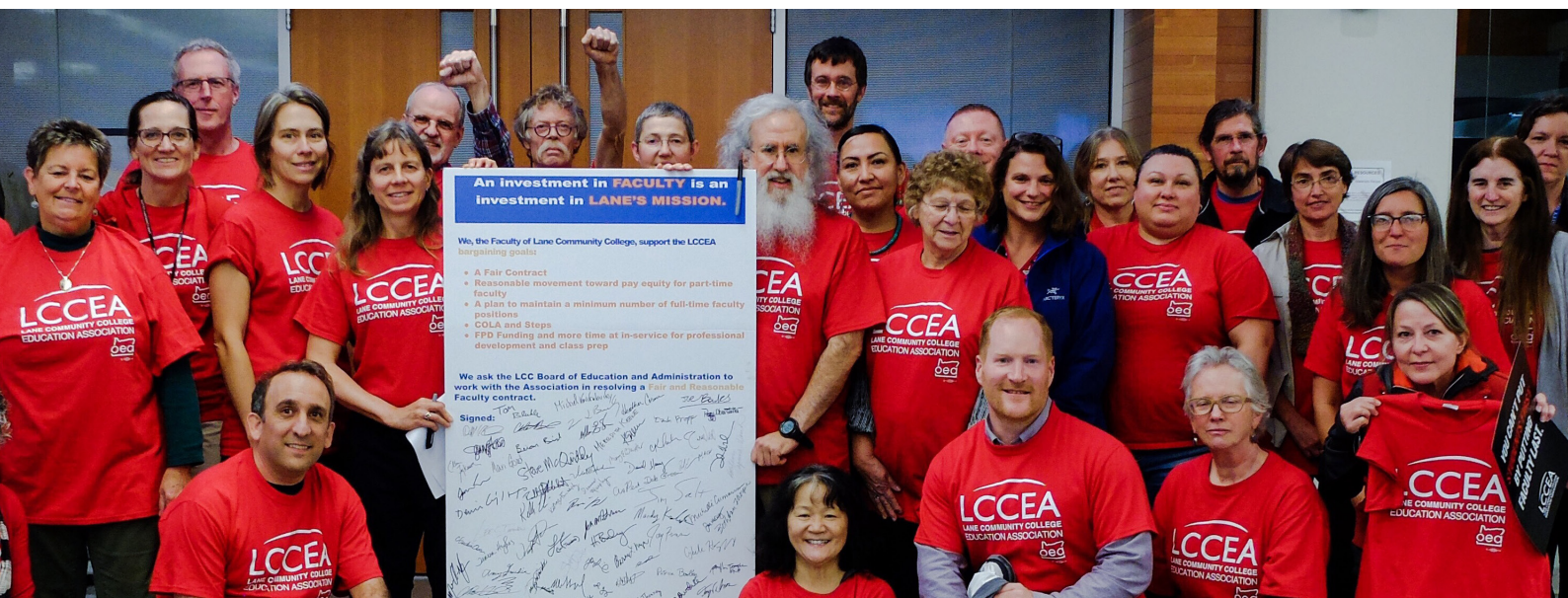




# LANE COMMUNITY COLLEGE

## A DIMINISHING FOCUS ON INSTRUCTION

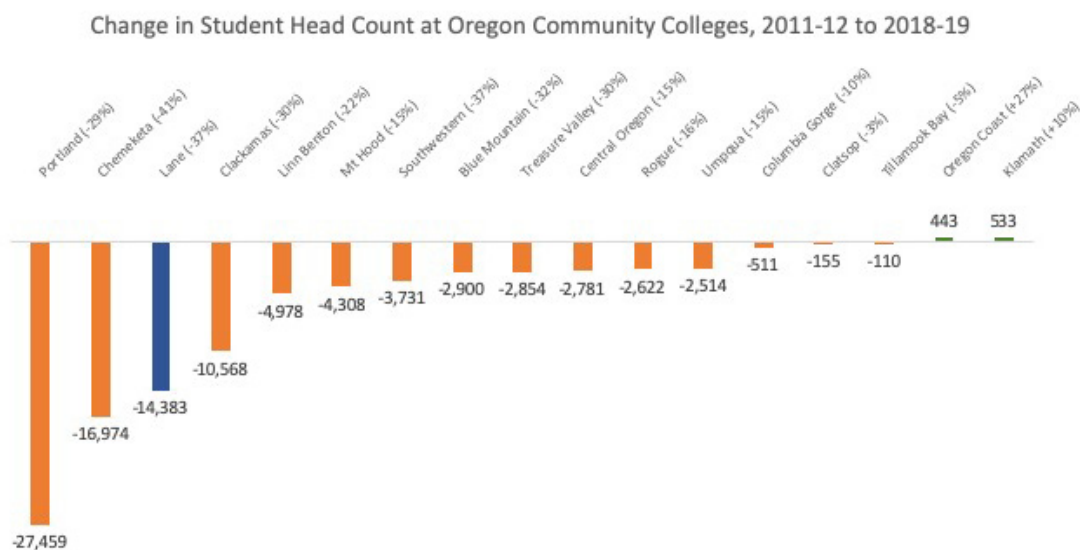


DANIEL MORRIS, PH.D

## KEY FINDINGS

- Between FY2016 and FY2018, LCC's operational expenditures declined by 18%. Cuts to instruction made up 60% of the decline, and cuts to student services accounted for 16%.
- Compared to other public, two year colleges in the U.S., LCC is below average for instructional spending. In FY2017, 35.4% of LCC's spending was on instruction, compared to the national average of 42.6%.
- While Management and Classified FTE have increased in recent years, faculty FTE trended downwards. Compared to FY2011-12, in FY2020 Managers FTE is 9% higher while full-time faculty FTE is 20% lower.
- Among 367 part-time faculty instructors who worked the 2018-19 school year, median pay was \$17,135. A full-time minimum wage worker in Lane County earns \$23,400 a year.
- 65% of LCC's part-time faculty work other jobs, and over one-in-four work two or more other jobs.
- Excluding retirees who are working as part-time faculty, 26% of part-time faculty have relied on government assistance while working at LCC.
- All community colleges have unfunded PERS liability, but LCC is better situated than most; only two other colleges have lower liabilities as a share of payroll.
- LCC has seen steep declines in enrollment since 2011, which led to cuts to staff and programs.
- State funding was cut during the recession, and LCC and other schools increased student costs to make up the difference. LCC now has the highest tuition and fees of any Oregon community college. LCC students also pay the highest costs for books and supplies.

## ENROLLMENT TRENDS



Source: HECC Data Mart



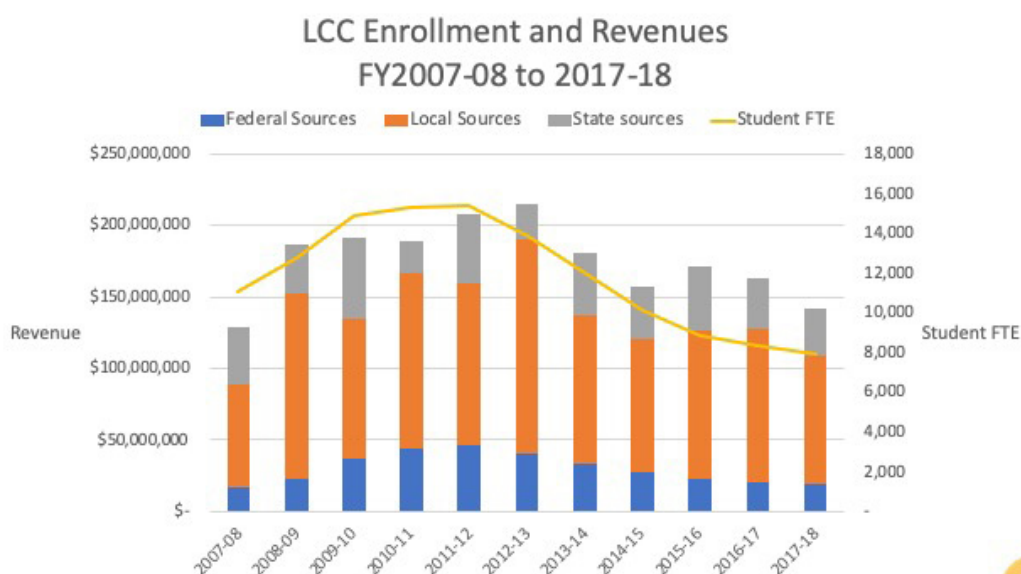
During the last recession, unemployment was high and lots of people went back to school for job training. LCC's enrollment peaked in the 2011-12 school year, when 38,635 students enrolled. Since then, every community college except Oregon Coast and Klamath have seen enrollment declines. Between 2011-12 and 2018-19, LCC's enrollment declines were among the greatest in the state. In terms of numbers of students, LCC's decline (-14,383) was third after Portland and Chemeketa. Expressed as a percentage change, LCC had the second largest decline (-37%).

Declining enrollment meant less revenue (less tuition, less state \$), which led to program cuts. In 2015, LCC eliminated electronics, auto body and paint programs. In 2017, LCC eliminated 2 faculty counselors, the Respiratory Care program, cut philosophy and religion, and made reductions to Exercise and Movement Science and the Early Childhood Development Programs. These cuts, reducing services and program offerings, further drove down enrollment. This is a vicious cycle. For example, in 2011-12, more students took Health and Fitness courses than any other field. The Health & Fitness program shrank the most over the next few years, losing two-thirds of its students. Cuts to Respiratory Care and Exercise and Movement Science Programs made these declines worse. But after years of declines, enrollment appears to be stabilizing; at the start of the Fall 2019 term, enrollment was up slightly from the year before.

## REVENUES

When enrollment increased after the 2007-08 school year, LCC saw corresponding increases in revenues from tuition and federal sources like student loans and grants. State funding was more erratic; higher education in Oregon suffered major funding cuts when income tax revenues plunged during the recession.

Local source revenue peaked in FY2012-13, corresponding to construction beginning on LCC's downtown campus.



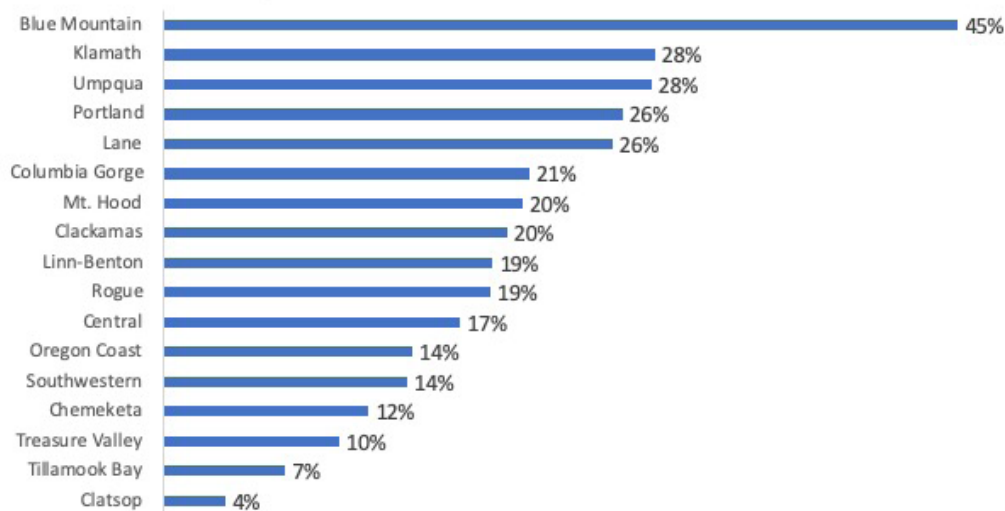
Source: HECC Data Mart, Revenues by Object, Total FTE

State funding for community colleges is largely distributed based on enrollment, and with LCC's higher-than-average enrollment declines, the college qualifies for a smaller share of the Community College Support Fund than it used to. In 2015-16, LCC got 11% of the CCSF distribution; in the current biennium, an estimated 8% of the CCSF distribution will go to LCC.

LCC planned for state revenue of \$23,200,000 in the FY2020 adopted budget, but as a result of increased state funding, will receive an estimated \$25,182,999 instead (\$1,982,999 more). LCC is expected to receive a similar amount the following year. With increased state funding, LCC is projected to get \$3.4 million more in FY2019-21 than in FY2017-19.<sup>1</sup> According to LCC administration, "At the start of fall term, we are seeing positive indicators driving revenue growth. Fiscal Year 20 state funding was higher than anticipated, and initial estimates indicate a marginal increase in fall term enrollment. The College is experiencing positive outcomes from the strategic plan as initial estimates indicate an increase in retention compared to this time last year."<sup>2</sup>

## STUDENT COSTS

With declining state support, colleges increased tuitions and fees to make up for the lost revenue. In FY2019, LCC had the highest tuition per credit (\$113.50) of Oregon's community colleges. From 2014 to 2019, the annual cost of school (tuition and fees) for a full-time student at LCC went up 26%. Costs increased at LCC more than at most community colleges.



Source: Oregon Department of Community Colleges & Workforce Development



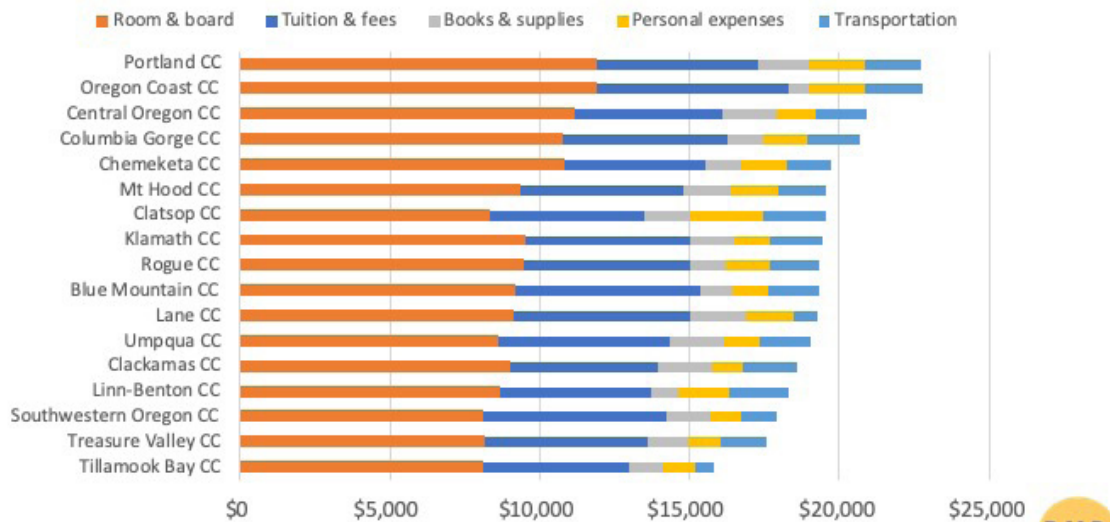
Besides high tuition and fees, LCC students also pay the highest costs for books and supplies, according to the Office of Student Access and Completion.<sup>3</sup> Room and board is the biggest expense category for LCC students, averaging about \$9,100 for the school year. If not for low transportation costs, LCC student budgets would be over \$20,000 a year. As it was, the standard LCC student budget in 2018-19 was \$19,265. In August 2019, LCC outsourced its bookstore operations, so students may see costs for textbooks and digital content go up even more.

<sup>1</sup> CCSF Funding by Community College data provided by HECC

<sup>2</sup> LCC administration report to Business Affairs Committee, 10/2/2019.

<sup>3</sup> [https://oregonstudentaid.gov/osac-doc/student-budgets/2018-19-Student\\_Budgets.pdf](https://oregonstudentaid.gov/osac-doc/student-budgets/2018-19-Student_Budgets.pdf)

## 2018-19 Standard Student Budgets



Office of Student Access and Completion, July 2018

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**MEGGIE WRIGHT**

**OER FACULTY LIBRARIAN**

*Poverty is a serious issue on our campus and in our community. My position, as Lane's OER Librarian, was established in January of 2017 to help address the economic impact that expensive course materials were (and still are) having on our students. In my time here at Lane, I've worked to support many instructional faculty in switching away from costly textbooks.*

*Open Educational Resources (OER) are, in my mind, far more than a cheap textbook alternative. They are a reimagining of intellectual property and ownership. When an author does not intend to financially profit off of their copyrighted work, adding an open license allows them to share their "copyrights." This license is what allows others to legally copy, distribute, and revise OER. OER come in many shapes and sizes: activities, lab manuals, slide decks, and full textbooks. By choosing OER, Lane's faculty are engaging with a robust digital commons and joining thousands of other educators who agree that supporting students is more valuable than their own monetary gain. Many of us working in open education like to say that "sharing is caring," and Lane's faculty show me again and again that they ascribe to a similar vision.*

*These acts of sharing and caring can have a huge impact; over the 2018-19 school year, we estimate that the use of OER and other low-cost materials saved Lane Community College students over \$1 million.*

*I'm proud to work at a college that implements programs to decrease the financial burdens felt by our students. In addition to our OER program, Lane's Food Pantry and Clothing Stash have a huge impact on students*

Cont...

who find themselves in need. But as you spend time on campus, you learn that it's not only our students who struggle financially. Many of our part-time faculty members find it difficult to make ends meet. As a volunteer at our Food Pantry last year, I saw first hand that Lane Community College students are not the only campus population dealing with food insecurity. Unfortunately, under its new management this academic year, the Food Pantry now requires all visitors to present a student ID card.

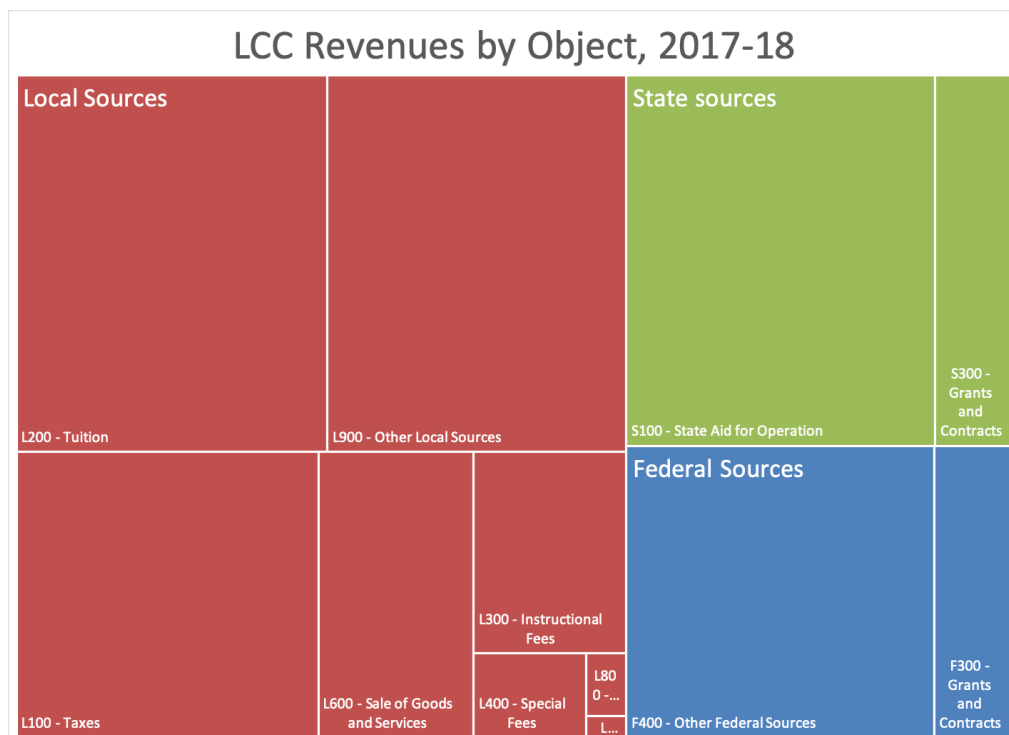
At Lane Community College, we talk a good game about acting as an economic driver and force for social justice in our community. We suggest that education is the first step to a better, more financially-secure life. But when our students join the workforce and are hired as LCC employees, they hear a very different message from college administration. How can we consider ourselves an equitable institution when many of our employees do not have enough food to eat?

It's time to extend our social justice mindset to include Lane Community College employees. Every employee should be paid a living wage. No employee should be hungry. Equitable pay for our part-time faculty would lead to more money spent at local businesses (including our own campus food services). Equitable pay is an economic contribution to our community that truly aligns with our commitment to justice.

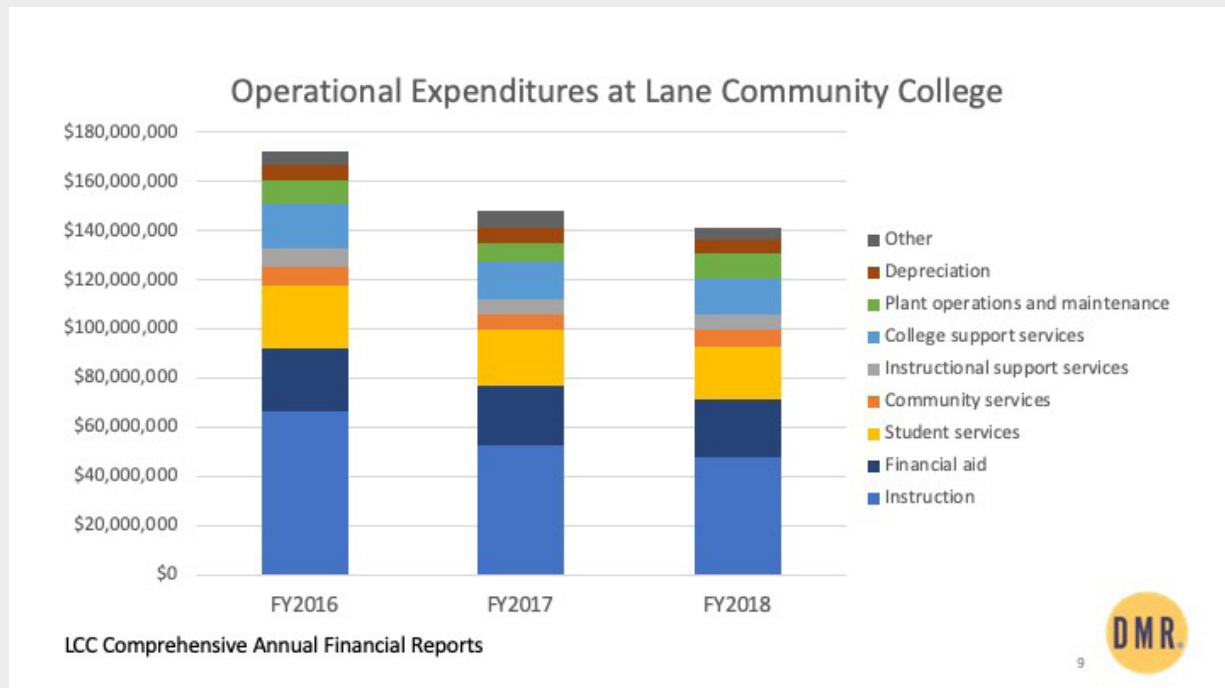
Every day on this campus, I see evidence that Lane Community College faculty believe that sharing is caring. The question is: do our administrators? If we want to consider ourselves a socially just institution, it's time to "walk the walk" by paying employees a living wage. It's time for a fair faculty contract.

## REVENUE AND EXPENDITURES

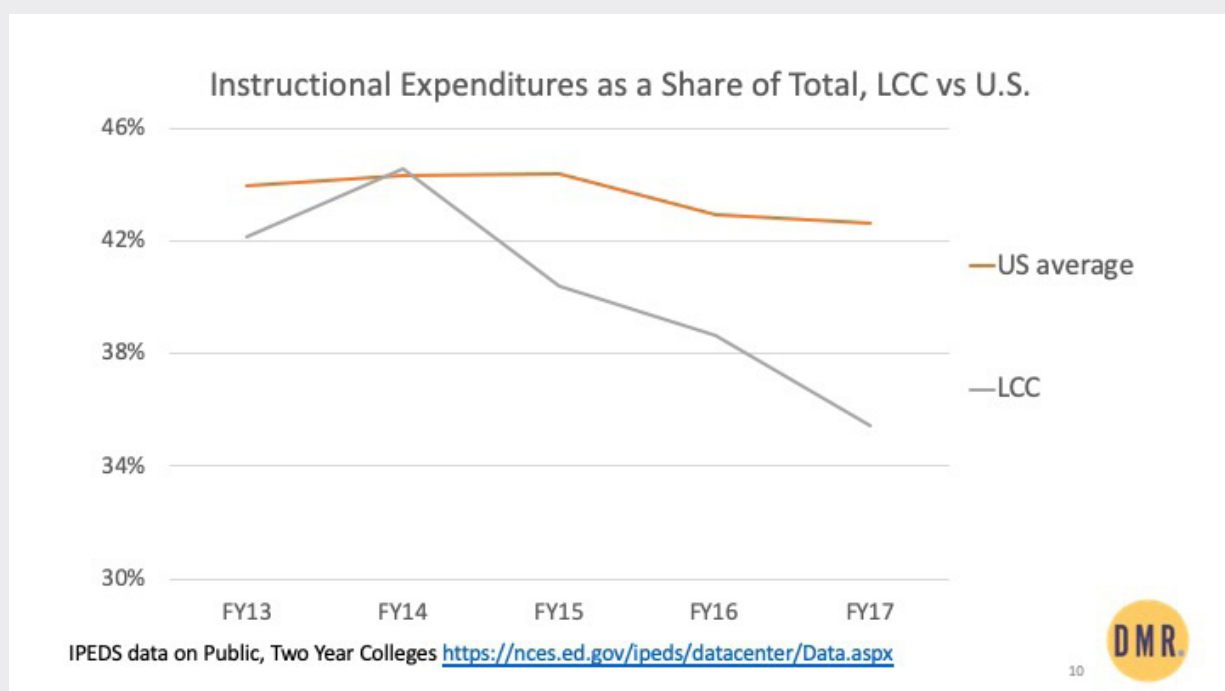
Most of LCC's revenue comes from local sources, including tuition and local taxes. In 2017-18, local sources accounted for 63% of LLC's revenue; state sources were 24% and Federal sources were 14%.



Between FY2016 and FY2018, LCC's operational expenditures declined by 18%. Cuts to instruction made up 60% of the decline, and cuts to student services accounted for 16%.

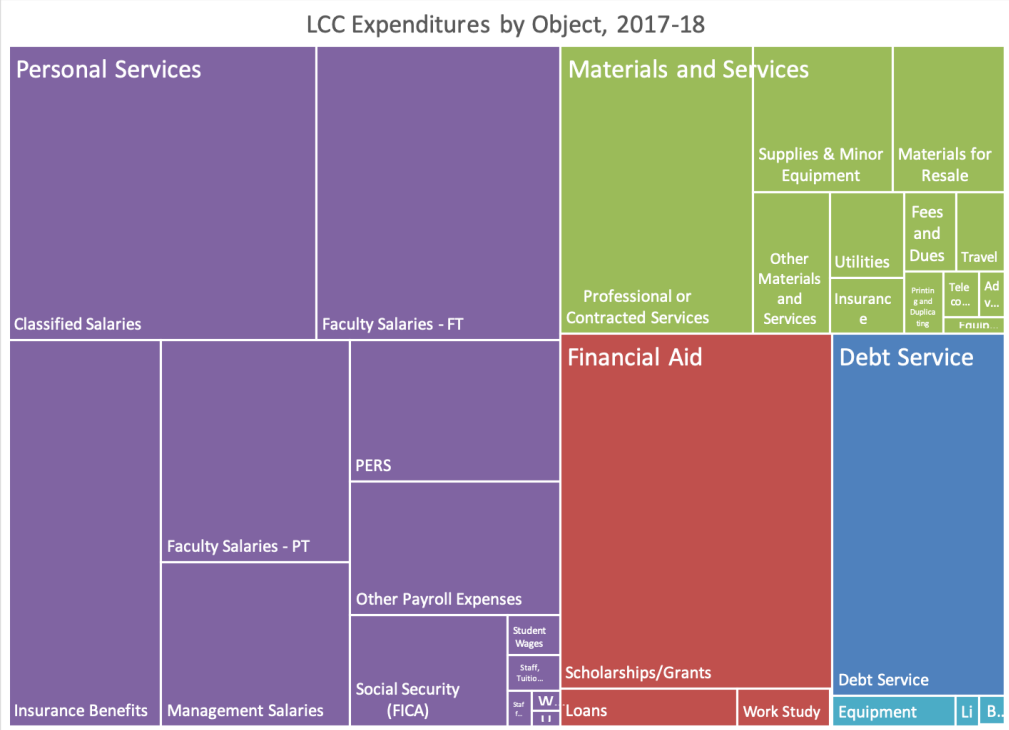


Compared to other public, two year colleges in the U.S., LCC is below average for instructional spending. In FY2017, 35.4% of LCC's spending was on instruction, compared to the national average of 42.6%. The share of LCC's budget going to instruction got smaller from FY2014 to FY2017.





Most of LCC's expenditures are on staff: salaries, insurance, taxes, and retirement. In 2017-18, LCC spent \$6.9 million on management salaries, averaging \$96,924 per manager FTE. LCC spent \$9.3 million on part-time faculty salaries, averaging about \$20,300 per FTE. Debt service costs were \$13.9 million in 2017-18.







## JOACHIM (JOE) BOWLES

### CHEMISTRY DEPT.

*As a part-time Chemistry faculty member, I appreciate that all of my colleagues, full-time and part-time, are standing together in the name of equity. This isn't just about fairness though, but the future of LCC.*

*There is no reasonable explanation for having the ratio of full-time to part-time faculty decrease during a period of time where enrollment declined significantly. This is because part-time faculty are the ones who face the brunt of class cuts and, in the face of a declining number of courses, must find other employment. This is a basic concept because part-time faculty provide scheduling flexibility, so sudden spikes in enrollment lead to more of these positions, and the loss of that enrollment leads to their disappearance. Therefore, it makes no sense to be at 'rock bottom' enrollment levels and still have substantial part-time positions.*

*I respect the work that my full-time colleagues do both inside and outside the classroom. And even though I am a part-time faculty member, I must admit that two part-time positions do not accomplish the work of one full-time faculty member. This is for a number of reasons, the first being that a part-time employee MUST seek other employment. The vast majority of part-time faculty are balancing multiple positions, and often have a combined workload across multiple campuses that combine to be greater than full-time. The workload is larger, and the institutional knowledge is more shallow, as every college/university seems to have their own quirky way of handling every administrative process.*

*Due to these working conditions, part-time faculty have divided attention, divided skills, and divided workload. This is not to the benefit of LCC students. I have long since accepted the reality that my future does not reside here as my career goal is to be a full-time community college instructor. To be fair, the reticence towards creating/replacing full-time positions is a national trend. I don't have the ability to speak out nationally, but I do have the ability to do so here and now as I am now and will continue to do so -- until some other state hires me. Saving approximately \$33,000 per position is not a sufficient reason to leave full-time positions vacant.*

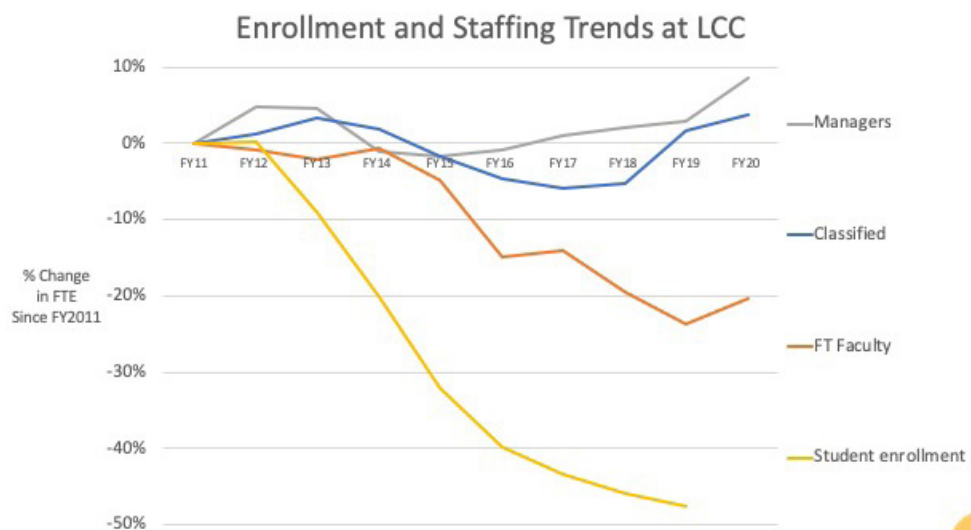
*Allow me to make one final emotional argument. One College Vice President shared his touching story at our fall Inservice, and I couldn't help but notice strong similarities with my own. I grew up poor with a dad who is a mechanic. I grew up in the economically repressed parts of the West Coast. The first house my parents were able to rent -- they were living in a tent before my impending arrival was announced -- was an old homesteader structure with dirt floors and no electricity or plumbing. This was east San Diego County in 1984. They were able to make their lives better by attending community college. In fact, it was my dad's history professor at Grossmont Community College that they rented the 'house' from.*

*I was able to do the same almost twenty years later here at LCC. Now I want to help the current and future generations of students do the same. LCC is hurting as an institution when full-time faculty positions go unfilled to the detriment of students, both past and present.*

## STAFFING

The FTE change chart is based on staffing data presented to the Business Affairs Committee on 10/2/2019. Data points for FY2019 were off-trend and marked as estimates. I replaced those FY2019 numbers with summaries from a position list from March 2018. FY2020 numbers include eight new Classified positions and three new Management positions, which were added after the FY2020 budget was adopted.

While Management and Classified FTE have increased in recent years, faculty FTE trended downwards. Compared to FY2011-12, in FY2020 Managers FTE is 9% higher while full-time faculty FTE is 20% lower.



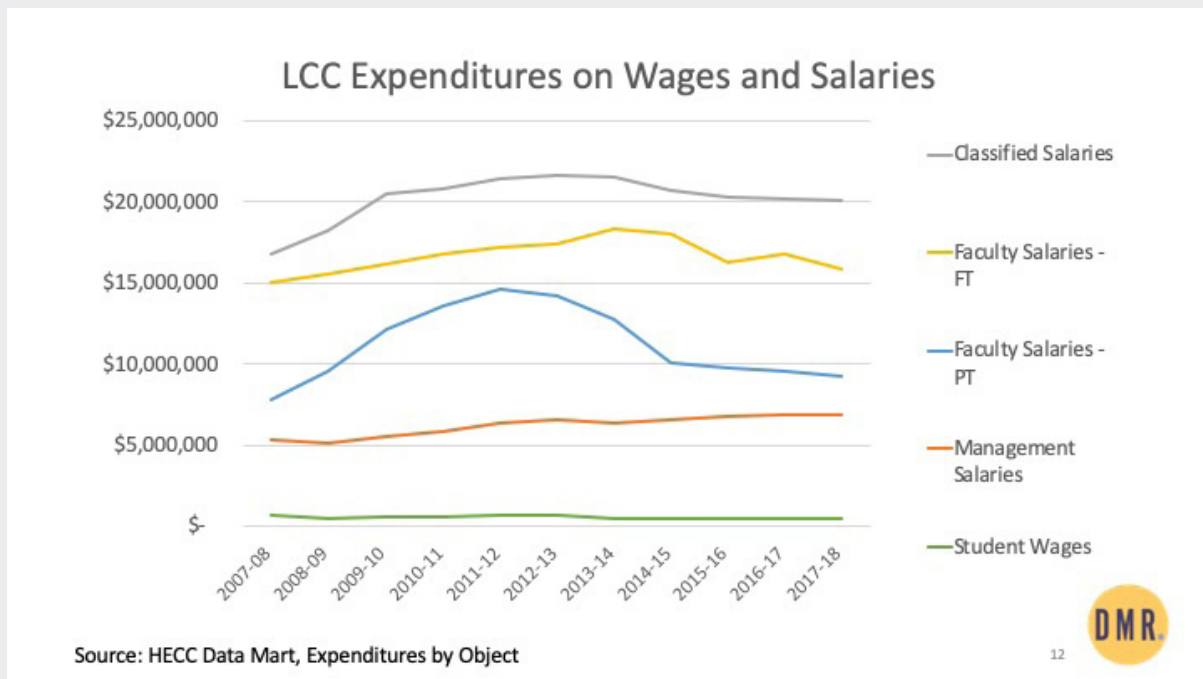
Staffing data presented to Business Affairs Committee, 10/2/19; enrollment data from HECC

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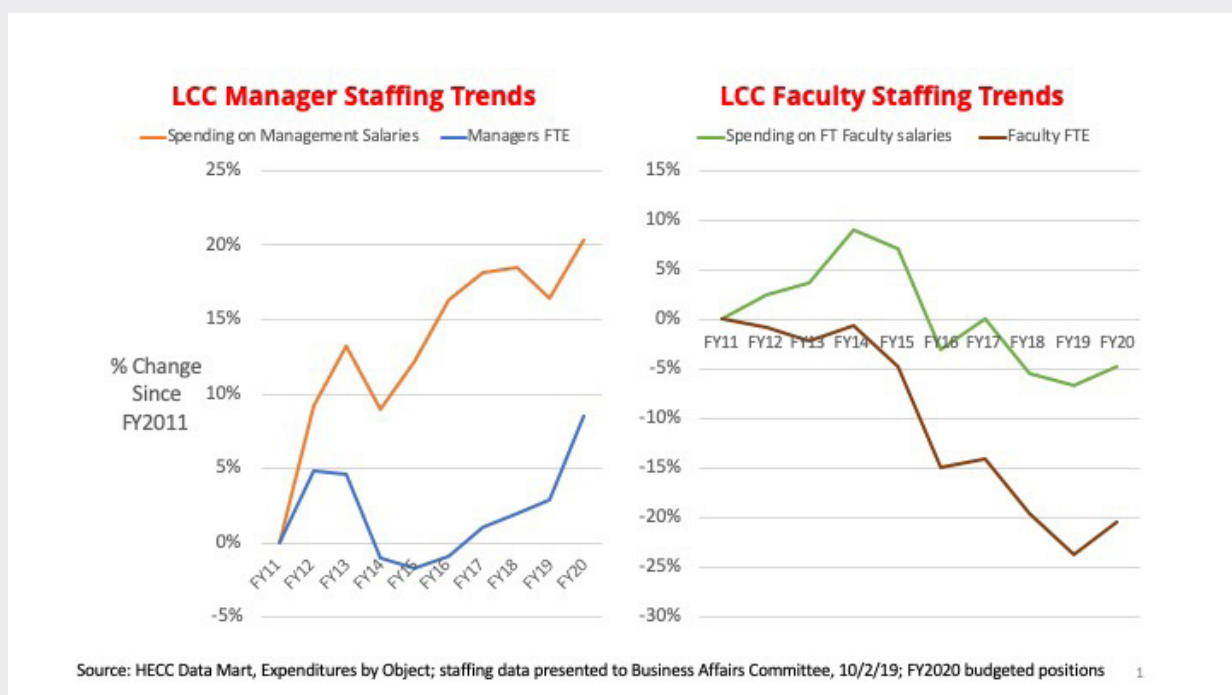
HECC data include expenditures on different groups of workers. While spending on management salaries grew steadily, spending on faculty and classified salaries declined.

LCC spent more on full-time faculty during the recession/recovery period of increased caseloads, but increased part-time faculty the most. After cutting back on part time faculty between 2011-12 and 2014-15, expenditures on part-time and full-time faculty trended together through 2017-18.



Trends in staffing and salaries for management and faculty are different. Since 2011, management salaries climbed while management FTE was fairly consistent. But spending on faculty salaries dropped along with faculty FTE. The small increase in faculty FTE in FY2020 reflects a change in the budget, but has not been realized due to retirements and unfilled vacancies.

These charts indicate LCC prioritized management over instruction. The FY2020 increase on the management chart reflects three new budgeted management positions. A fourth proposed position, Director of Data Analytics, is not included in the chart. The management salary increase would be even greater with this position added.







## **PAULA THONNEY**

### **MATH DEPT.**

*When I was hired three years ago there were 17 full-time math faculty. There are now only 13 full time instructors. This means increased workload for all of us. While our teaching loads are set, the other work we do is now shared among fewer full timers, resulting in a 30% increase in non-teaching responsibilities.*

*I'm a relatively new faculty member here, and I think my more senior colleagues are carrying a heavy load. In addition to their teaching loads they have a multitude of other commitments both on campus and in the community.*

*Here is a glimpse into some of the work I am doing beyond my regular teaching load. As Math Literacy Course Lead, I am aware of part-time instructors' low pay, so I make every effort to support them as fully as possible. I provide an orientation, mentoring, and technical support to the five part-time instructors who are teaching Math Literacy this term, three of whom are new to the course.*

*In the spring I created an online version of Math Literacy, which grew from one section in spring, one in summer, to two this fall. I feel that this course is a rich and multifaceted course that addresses math literacy in the context of climate change, but also challenges students to develop a growth mindset and to overcome math anxiety.*

*Math Literacy also uses an Open Educational Resource. I worked with a colleague to adopt and adapt the course materials for Math 098 at LCC. We teach spreadsheets--a marketable skill--in weekly computer labs related to the course content. The open source materials results in significant savings for each student (\$15, down from \$160).*

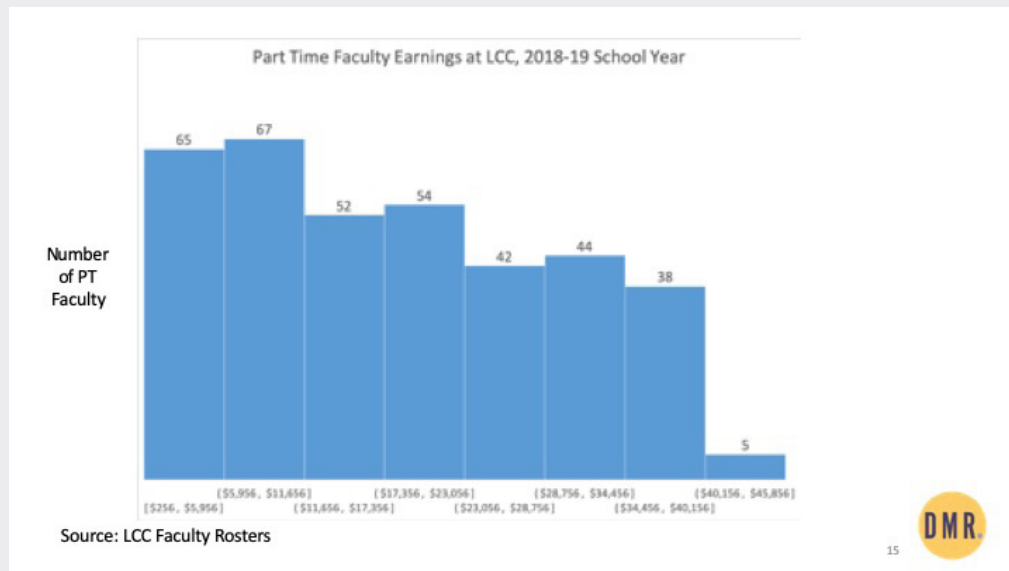
*I'm really proud of this course. This is not my entire workload--but it's a part of it that I'm passionate about.*

*To return to the decreased ranks of math faculty--it's difficult for us to be working harder, and to also be offered an effective pay cut. A COLA below 1.55% is effectively a pay cut, because it means that our salary growth is not keeping up with inflation. It seems reasonable to expect a fair COLA that is comparable to the one the U.S. Government uses to adjust Social Security payments. Also, When faculty members do not receive step increases or only receive partial steps, this impacts not only our salaries this year but compounds over time as lost income over the rest of our careers and also reduces retirement benefits.*

*I look forward to serving students now and into the future at Lane Community College. I would like to feel that my work is being fairly compensated.*

## PART TIME FACULTY

Excluding flight instructors and nine people who were reclassified as full time, there were 367 different “PT Credit Instructors” listed on the faculty rosters from Fall 2018, Winter 2019, Spring 2019, and Summer 2019. Most (64%) worked three or four terms.



Average salary earnings for part-time faculty working all four terms was \$31,548. The average for working three terms was \$19,318. Median pay for all part-time faculty was \$17,135. For comparison, a full-time minimum wage worker in Lane County earns \$23,400 a year.<sup>4</sup>

In October 2019, 333 LCC faculty participated in a survey conducted by LCCEA. Participants include all categories of faculty: contracted, temporary contracted, part-time, part-time flight tech, part-time coaches, and part-time faculty who are retired (from LCC or elsewhere) but who are working as part-time faculty at LCC. Key findings include:

- 65% of part-time faculty report having one or more other jobs. Over one-in-four (28%) of part-time faculty report two or more other jobs
- Excluding retirees who are working as part-time faculty, 26% of part-time faculty have relied on government assistance while working at LCC.
- 18.2% of part-time faculty report current student debt of \$30K or more. 6.8% of part-time faculty and 7.0% of contracted faculty report having previous student debt of \$100K or more.

<sup>4</sup> \$12/hr \* 40hrs/week \* 52 weeks



## CYBELE HIGGINS

### FACULTY

*I am dedicated to student success -- this drives me today and has driven me from the beginning of my work at Lane starting over 23 years ago. I have helped thousands of ESL international, immigrant, and US citizen students get ahead with workforce, community, and academic English on the road to reaching their goals, and I've helped Lane's credit program be a more welcoming place for my students. I've worked on many special projects, curriculum development for my department and across departments, and efforts to improve instruction at Lane and across the state.*

*For 17 of these more than 23 years, I was part time. I waited over a decade for the full time position that I currently have to become available and was lucky to get it. During that decade, I was a single mother, raising my two boys the best way I could. With my Masters in TESOL, I would have had to move to another city to get a decently paying job because there were no other options in Eugene. I didn't want to leave my Lane community, my students, my colleagues, and the Lane mission that I believe in so whole-heartedly. I didn't want to move and take my boys away from their father, their grandmother, my mom, or their community. So, I collected bottles on walks and got two more part-time jobs. MWF, I'd wake up in the morning and be an ESL teacher for adults. T Th I'd wake up in the morning and be an elementary school Spanish and sometimes Chinese teacher. Sat*

*Sun I'd wake up in the morning and be a medical interpreter at Sacred Heart Hospital, sometimes being called to the emergency room in the middle of the night. Every morning I'd have to check myself to see what role I was playing that day -- never able to give myself completely to one profession or the other, little time for professional development in my chosen field -- TESOL.*

*I had constant financial anxiety. With a new teaching assignment and contract every term, I could never relax and know that I was going to be OK. I couldn't predict and make future financial decisions based on projected income, I couldn't take care of my home like it needed, and my retirement savings is not what it should be or could have been at my age. I felt like Lane was rolling me around in broken glass and gravel, USING me for my skills and my passion for my students. The anxiety I felt for so many years became a part of my boys' (now young adults) upbringing -- trying to cultivate a feeling of safety and joy during their childhood while experiencing extreme financial anxiety -- they knew the truth even though I did my best to hide it, and it has affected the development of their personalities and how they see the world. Now, just over 6 years into my full time position, I still have PTSD from those 17 years -- it's slowly dripping out of me. I'm constantly amazed that I CAN buy a simple cup of coffee at a coffee shop if I need to now without planning and limiting the expense. I CAN visit my 80-year old father, 95 year old grandma, aunts, and cousins on the east coast now. I CAN save for retirement and pay for my sons' college, but I don't have the reserves that I could have had. I have seen other single income head of household teachers get eaten up by Lane like this and then go back to school to change professions or move to get out of this unfair situation. Lane loses. And our students lose.*

*Lane loses when part-timers outnumber full timers. As a part timer, I could not give 100% of my work self to Lane. I could not be on committees, attend department meetings, collaborate with other faculty, and be the glue that holds an educational institution together. Now, as a full timer, I have seen how much time gets squandered trying to piece together every single initiative or project while taking into account the limitations we have due to a mostly part time faculty. Moreover, we've wasted countless hours and days each year running hiring committees to fill this or that class when our current part time teachers have maxed out their part time hours for the academic year. Turn-over is not good for students, not good for the department, and not good for morale. Also, the disparity between full time and part time income and job security creates a chasm between*

cont..



us that shouldn't be there, creates disharmony, and impedes continuous program and college improvement. It is disrespectful to our equally qualified part time colleagues. We need fewer management positions (think about the savings! one management salary translates into far more than one full time faculty position), more full time positions, and much smaller percentage of part time positions for those who DO want part time work. Lane's part time faculty situation has created less loyalty, lower morale and motivation, and a feeling of discombobulation because so few full timers are doing much of the work of holding Lane together, but the attention we need to give to multiple issues ON TOP of our teaching load creates impossible multitasking. The glue is not strong enough if we want to grow our college and nimbly respond to our county, community, and world's ever-changing educational needs.

## PENSION LIABILITIES

At the end of calendar year 2017, LCC had \$41.6 million worth of unfunded accrued liability for PERS. Expressed as a percent of payroll, LCC actually compares well with other community colleges—only two have lower liabilities as a share of payroll. Central Oregon CC has about as much unfunded liability, but their payroll is about half the size of LCC's.

### Summary of Pension Unfunded Accrued Liability (UAL) as of December 31, 2017

Employer Name	UAL (reflecting Side Accounts)	Combined Valuation Payroll	UAL as a % of Payroll
Mt Hood Community College	\$ 35,374,092	\$ 41,404,532	85%
Treasure Valley Community College	\$ 7,597,731	\$ 8,839,504	86%
Lane Community College	\$ 41,621,260	\$ 44,751,311	93%
Clatsop Community College	\$ 6,641,743	\$ 5,859,136	113%
Southwestern Community College	\$ 13,017,299	\$ 11,029,068	118%
Chemeketa Community College	\$ 55,960,468	\$ 47,364,680	118%
Umpqua Community College	\$ 14,302,235	\$ 11,018,484	130%
Linn-Benton Community College	\$ 36,007,295	\$ 27,597,656	130%
Portland Community College	\$ 174,942,635	\$ 129,541,938	135%
Rogue Community College	\$ 27,256,401	\$ 19,952,622	137%
Clackamas Community College	\$ 41,124,976	\$ 29,775,406	138%
Blue Mountain Community College	\$ 15,055,142	\$ 10,895,029	138%
Oregon Coast Community College	\$ 3,473,734	\$ 2,471,666	141%
Columbia Gorge Community College	\$ 6,940,723	\$ 4,669,318	149%
Tillamook Bay Community College	\$ 3,223,422	\$ 2,020,658	160%
Central Oregon Community College	\$ 41,423,171	\$ 23,719,070	175%
Klamath Community College	\$ 15,253,816	\$ 7,078,488	216%

Data source: PERS

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## TITAN COURT

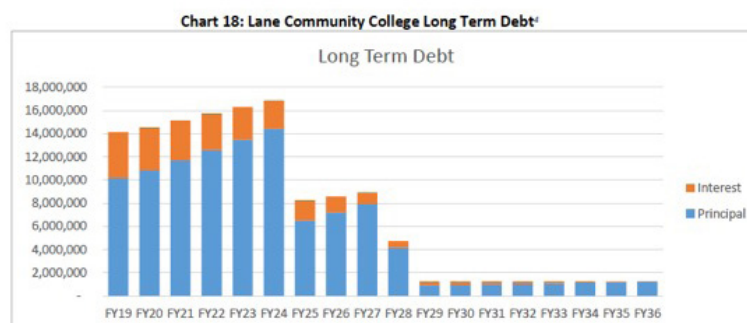
LCC's biggest ticket item in recent years was its downtown campus. The campus includes two connected buildings located on a half-block site in downtown Eugene, Oregon—an academic building (the Mary Spilde Downtown Center) providing instructional and service programs, and a student housing building (Titan Court) offering apartments.



According to a financial summary provided by LCC's College Finance Office, after paying expenses exceeding revenues from 2013 to 2018 Titan Court resulted in a net loss to LCC a total of \$1,899,650. In FY2020, \$660,000 from the LCC General Fund will go to pay debt service for Titan Court.<sup>5</sup>

LCC borrowed money for campus construction projects, but much of those debts will be retired over the next few years. In 2016 LCC refinanced the debt for the student housing project, saving \$3 million over the life of the bonds. LCC owes over \$15 million in principal on those bonds.

## Debt



\* Source: Lane Community College Audited Financial Reports for the Fiscal Year Ended June 30, 2018



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## CONCLUSION

The trends at Lane Community College indicate a diminishing focus on instruction. Statewide enrollment decline and reduced funding have impacted college resources, but spending allocations that have failed to prioritize instruction and faculty have exacerbated these trends at LCC.



**LCCEA**  
LANE COMMUNITY COLLEGE  
EDUCATION ASSOCIATION





## ABOUT THE AUTHOR AND RESEARCH METHODS

*My name is Daniel Morris. I am an independent researcher. I earned a doctorate in public health from Saint Louis University, and a Master's degree in physics from University of Michigan. I conduct research on a range of topics, but over the past six years my focus has been on government finances in Oregon.*

*I was hired by Lane Community College Education Association to conduct a financial analysis of LCC to inform ongoing contract negotiations. For this project I drew on several public data sources, as well as additional files provided by LCCEA:*

- LCC's Comprehensive Annual Financial Reports (CAFR)
- Higher Education Coordinating Commission ([HECC Data Mart data](#)) on community college enrollment, tuition and fees, revenues, and spending
- [IPEDS data](#) on expenditures for Public Two Year Colleges in the U.S.
- Staffing data summary statistics from LCC
- Staff rosters and budgeted position lists

*All the data files I used are available for inspection.*

