

Dennis Baack

From: Dr. Gregory P. Smith, College President [gpsmith@cccneb.edu]
Sent: Friday, January 15, 2010 4:33 PM
To: Dennis Baack
Cc: Jack Huck; 'Chipps, Michael'; Bill Path; Eileen Ely
Subject: Response to Senator Heidemann
Attachments: Greg P Smith Ph D .vcf

Dear Dennis,

Here is CCC's response to the December 4th letter from Senator Lavon Heidemann requesting information about how each of the community colleges would deal with the reductions in state aid that were enacted during the special session. Here is the response prepared by Larry Glazier and me for CCC:

For the current year **2009-10** our LB 1 impact reduction is estimated to be about \$282,421. If the Unicameral decides to distribute the 1.8% reduction proportionately across community colleges, our reduction will be around \$154,000. In FY 2009-10 state aid comprises only about 21 percent of the CCC budget, so the rescission should not impact our ability to deliver quality learning experiences. We will be using vacancy savings and other savings to cover the reduction in state aid. So far, through the first six months of the year CCC has expended 42.85 percent of its budget. So, CCC is on target to cover the rescission without having to access its reserve fund.

For **2010-11** it is likely we will need to do a variety of things including the following:

- Increase our property tax levy to the maximum allowable under the formula
- Increase tuition and fee rates – likely from \$77 to \$81 per credit hour
- Reduce capital outlay (equipment) expenditures
- Freeze or reduce operating, supplies, and travel expenditures

2010-11 is still somewhat difficult to predict at this time with some of the unknowns in final enrollment numbers and funding formula issues. We do know that under the current formula the proportion of CCC's operating budget funded by state aid will continue to decrease.

To minimize the effect of reduced state appropriations the following actions are taking place and will continue to take place in 2010-11:

- All open full time personnel positions are required to be approved by the College Cabinet
- Personnel positions are not being filled immediately, unless critical for student learning.
- Travel, supplies and equipment purchases and expenses are being reviewed to determine if expense can be deferred or not incurred this fiscal year.
- Grants department is looking for additional opportunities to offset income loss.

In direct response to the Senator's four questions:

- We are not expecting an impact on staffing.
- We are not anticipating a reduction in services.
- We do not foresee any negative impact on receipt of federal funds.
- We do anticipate an increase fees other than in tuition and fees as noted above, but this is not unusual.

Please let me know if you have any questions.

Dennis Baack

From: Chipps, Michael [chippsm@mpcc.edu]
Sent: Tuesday, January 19, 2010 5:02 PM
To: Dennis Baack
Subject: Response to Senator Heidemann's letter.

Hello Dennis,

Please provide the following information to the Appropriations Chair Heidemann. Thank you, Dennis. Mike

Hello Senator Heidemann,

Mid-Plains Community College will not be able to fill most, if not all, of eight proposed faculty and staff positions (@\$480,000) for 2010-11. MPCC continues to experience substantial enrollment increases over the past two fiscal years and have therefore initiated corresponding plans to sustain and grow institutional programs and services. The College has experienced a 4.7% enrollment increase in FY 2008-09 and are currently experiencing more than an 8.0% increase for FY 2009-10. It is becoming so challenging to adequately serve the expanding needs of our student body. It is also important to remember that MPCC is running a multi-college operation with a modest 72% of our budget operations dedicated to personnel.

The College is fortunate that the enrollment increases for 2009-10 continues to generate additional revenue to offset the 1.8% loss in mid-year state cuts. Unfortunately, anticipated enrollment increases of 2.0% for the 2010-11 fiscal year will not be able to address the 3.4% decrease in state funding. The Board of Governors will need to look at moderate tuition and fee increases, a reduction of requests for replacement of out-moded and advanced technical equipment, and also a reduction of operating expenses.

In conclusion, it is difficult to sustain and grow operations, during a time that the nation and Nebraska is calling for its community colleges to be a primary leader in bolstering a shaken and weak economy. Community colleges are the nation's answer to long term economic recovery. In light of that plea, community colleges must be funded to provide training to the growing populations who attend them and provide a majority of the country's workforce.

Thank you for your inquiry, Senator Heidemann. It is greatly appreciated!

Mike

Dr. Michael R. Chipps, President
Mid-Plains Community College
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Dennis Baack

From: Bill Path [billp@northeast.edu]
Sent: Tuesday, January 05, 2010 8:32 AM
To: Dennis Baack (dennisgb@neb.rr.com)
Cc: Eileen Ely (elye@wncc.net); Greg Smith; Jack Huck (jhuck@southeast.edu); Michael Chipps (chippsm@mpcc.edu)
Subject: Response for Senator Heidemann

Dennis,

At our last CEO, you handed out a letter from Senator Lavon Heidemann requesting information about how each of the community colleges would deal with the reductions in state aid that were enacted during the special session. Here is the response prepared by Lynne Koski for NECC:

For the current year **2009-10**, we will be using contingency dollars to cover the reduction in state aid.

For **2010-11** I believe we will need to do a variety of things including the following:

Increase our property tax levy to the maximum allowable under the formula generating approximately \$1,019,311.00

Increase tuition rates

Reduce capital outlay (equipment) expenditures

Freeze or reduce operating, supplies, and travel expenditures

2010-11 is still somewhat difficult to predict at this time with some of the unknowns in final enrollment numbers and funding formula issues. The solutions noted above would most likely be required even without the reduction in the state aid dollars because of our enrollment numbers the past two or three years in relation to the other Colleges and the results of the formula in its current form, although the state aid cuts have increased the severity of the situation.

I concur with Lynne's budgetary assessment for Northeast. Please let me know if you have any questions.

Bill



Dr. Bill R. Path
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Mission

Northeast Community College provides comprehensive, lifelong, learning-centered educational opportunities and services to meet the diverse needs of our public.

Dennis Baack

From: Jack J Huck [jhuck@SOUTHEAST.EDU]
Sent: Friday, December 18, 2009 11:29 AM
To: 'Dennis Baack'
Subject: Budget Reduction Report

In response to your request from Senator Heidemann regarding budget reductions we have implemented, I would offer the following information:

12 positions delayed in filling - \$774,000 saved
3 positions eliminated - \$184,100 saved
Position turnover - \$129,459 saved
Total savings - \$1,087,568

Please feel free to contact me if you need additional information.



**WESTERN
NEBRASKA**
COMMUNITY COLLEGE

January 15, 2010

The Honorable Senator Lavon Heidemann
State Capitol
PO Box 64604
Lincoln, NE 68509-4604

Dear Senator Heidemann,

In reply to your memorandum of December 4, 2009 requesting information regarding plans and actions to implement Legislative Bill 1, Legislative Bill 2 and Legislative Bill 3 from the First Special Session, 2009, Western Nebraska Community College respectfully submits the following information:

Plans and Actions for Fiscal 2009 -2010

- A. One full-time English faculty position will be left unfilled for the second semester of the 2009-2010 school term.
- B. One full-time nursing faculty position will be left unfilled for the entire school year 2009-2010.
- C. One full-time nursing faculty position will be left unfilled for the second semester of the 2009-2010 school term.

Plans and Actions for Fiscal 2010 -2011

The institution is beginning budget development for the 2010-2011 school year at this time. The following areas of savings or revenue generation are under consideration in response to a decrease of state aid:

- A. Review tuition and fee charges that can be increased above usual inflation adjustments.
- B. The college is not currently at the maximum property tax levy and will review the potential funds available through a levy increase.
- C. Reduction of adjunct faculty assignments and a decrease in the number of course sections offered.

Sincerely,

A handwritten signature in cursive script that reads "William D. Knapper".

William D. Knapper
Dean of Administrative Services

cc: Appropriations Committee, William Scheideler, Dr. Eileen Ely, Dennis Baack