

**President's Report to Board of Education**  
**May 20, 2020**

**Topics Covered:**

- **Appreciation**
- **Commencement**
- **Pandemic conditions & response:**
- **Fiscal**
- **Optimism and hope:**

**Appreciation**

First, let me share my appreciation for the work and dedication staff and faculty are showing for students and each other as we navigate the difficult waters of the health, social and fiscal crisis resulting from the Coronavirus pandemic. Likewise, our Board of Education. Thank you all for your care, your flexibility and creativity, and positive attitudes. This month, I would like to add a specific call out to two of our areas: technology and SBDC. Spencer & Alex have been very responsive and patient to everyone's needs, and at the SBDC, Dave, Wendy and Misty have been of incredible support to Lincoln County small business, who have been hit very badly and are really struggling. In the five months of this year, SBDC has exceeded most of the levels of service met in the entire last year.

**Commencement** see [here](#): for press release.

- The event will be held at its previously scheduled date and time, **6 p.m. Friday, June 12**. Instead of taking place at the Newport Performing Arts Center, the event will **be live streamed** to students, their families, and friends. College faculty and administrators, along with members of OCCC's elected Board of Education, will participate live from home or from the commons at the Central County Campus in Newport, a space large enough to allow for rigorous social distancing measures and safeguards. The event will be recorded and shared with the public afterwards, via the College's YouTube channel or website.
- We are limiting participants at the "live" portion due to the need to ensure physical distancing. We would like one or two board members (the Board Chair and Vice-Chair if that works for them) on site for the "live" portion of the virtual ceremony in gowns with stoles that Kathy has already. There would be a short welcome from one Board member, and the chair or designee participates in the "conferring of degrees" with Birgitte.
- We would like to invite the other board member to provide a brief statement or quote to share with the graduates that will be placed on a PowerPoint slide and integrated into the ceremony at some point we have not determined yet.

### **Pandemic conditions & response:**

- The OCCC CVRT (Corona Virus Response Team) continues to meet bi-weekly, to monitor our response and operations, and make recommendations to me as to any adjustments we need to make. As of Monday, May 15, Lincoln County entered Phase 1 of Oregon's reopening framework. Higher Education is still operating under the Executive Order that closes our buildings to the public and restricts Face2Face instruction. So as of now, the Phase 1 reopening will impact our personal lives but not our operations. As far as our personal lives, better sources of information about reopening are on the Governor's page As of Monday, May 15, Lincoln County will enter Phase 1 of Oregon's reopening framework (<https://govstatus.egov.com/OR-OHA-COVID-19>). Lincoln County specific info is at <https://www.co.lincoln.or.us/hhs/page/reopening-lincoln-county>.
- Regarding higher education in Oregon, a framework for Phases 1,2 & 3 has been developed by cross-sector (public/private, 2,4, 4+) workgroups in conjunction with the HECC and Oregon Health Authority. I anticipate approval of the framework (with modifications that might come out of consultation process) possibly as soon as next week. Phase 1 & 2 still have our buildings closed to the public, with F2F resuming in limited conditions where CDC/OHA recommendations can be followed.
- The college's executive leadership team is beginning to consider our philosophy and guiding principles for whatever reopening changes that will occur during the summer and fall terms. State and OHA guidelines provide compliance boundaries, but we must chart a course for how we intend to meet our mission during and post-pandemic. The state draft framework moves from phase 0, "critical functions" to a new standard of "Campus spaces and buildings are open for official college or university business only. Campus spaces and buildings are not open to the general public" Our focus since pandemic onset has been our credit students and programs. Other aspects of our mission include community education, small business, and civic engagement with our community. We also need to consider what role remote delivery might carry post-pandemic. How will we define "official college business" for OCCC, and fulfill our mission considering the health and safety of our students.

### **Fiscal:**

May Revenue Forecast out today. See attached summary, intro reads: *State economists forecast the largest drop in an Oregon revenue forecast ever recorded in their presentation before joint revenue committees of the Legislature today. Current biennial revenues will be down \$2.7b (-\$1.6b in personal income taxes, -\$414m in corporate activities tax, and -\$364m in lottery are the largest components) and next biennial revenue (2021-23) will be down an estimated \$4.4b. Rainy day and education stability funds balances are a combined \$1.6b as of April. At the beginning of the forecast presentation, state economist Mark McMullen noted that this forecast is their effort to "tear the band aid off all at once."*

Regarding our fiscal circumstances, the college community received an update on May 1<sup>st</sup>. I shared my deep disappointment that we must reduce our expenses to this degree so soon on the heels of earning independent accreditation, and particularly that we have had to reduce hours and in two cases

eliminate positions. At OCCC we have four elements interacting that make it absolutely essential that we be proactive in our fiscal planning and implementation. They are:

- a. 1) planned for increases in employee compensation along with expenses of the multi-year shift to an independent institution with effective and up-to-date automation & technology systems,
- b. 2) planned for but outside of our control, and at higher levels than anticipated, escalation in benefit costs particularly PERS and medical,
- c. 3) Pandemic related drops in revenue and increases in expenses for late Winter and the Spring terms, expected gains were not realized.
- d. 4) Significant pending reductions in state support for Community Colleges, potentially in the 15-20% range for next year, and anticipated to continue into the following 2 years.

CAREs act: we just recently finished the work with PCC to establish an agreement for the \$\$ to be transferred to OCCC. Our total award is approximately \$180,000 which is disappointing as the next smallest award was TBCC at approximately \$300,000. 50% of the award is a pass through to students for emergency grants, and Chris Ousley led a committee to establish methodology. We are only now receiving the student \$\$, of about \$90,000, which is to be distributed to students over a year. The other 50% is for "institutional costs related to Covid response" and we have not yet received those monies or more specific guidance as to how it can be used. The CAREs funds are already accounted for in our budget planning for this year and next. We are assuming that technology and costs to move instruction on-line will be allowable under the rules. Expenses must have occurred after March 13 (when the national emergency was declared.)

#### **Optimism and hope:**

I'll end with my closing statement from the May 1 memo: "In the midst of all this, I would like to close by reminding us there remain many reasons to be hopeful and optimistic for the future. OCCC has survived worse, and together we have accomplished so much for students and the community, especially our very recent achievement of independent regional accreditation. Our independent status has permanently increased our ability to respond to local needs. We did not anticipate that local needs would include response to a pandemic, but independence has made us stronger in that response as well. We are also in the midst of implementing new systems to enable us to accomplish our work in better ways. By focusing on becoming more efficient in terms of operational processes and more effective with student and employee outcomes, the new normal could be even better than the old normal. Thank you all for what you do every day for our students (however remote they are just now) and our community, and the ways you are supporting them in this strange new world. "