



# Notice of Public Meeting

Pursuant to O.R.S. §192.640, legal notice is hereby given to the members of the Tillamook Bay Community College Board of Education (Board) and to the general public that the Board will hold a meeting open to the public on Monday, January 9, 2006, at 6:30 p.m., in Room Nine, First St. Campus, 2510 First St., Tillamook, Oregon, 97141.

A copy of the agenda for the meeting will be available beginning Thursday, January 5, 2006, after 9:00 a.m. at the Office of the College President, Tillamook Bay Community College, First St. Campus, 2510 First St., Tillamook, Oregon 97141.

Agenda items include an Invitation for Public Comment, Business Meeting, Announcements and General Information. The Board reserves the right to change the order of items on the agenda.

The Board Meetings are held in accordance with open meeting laws and accessibility requirements. If a person with a disability needs assistance in order to attend or participate in a meeting, please notify Board Secretary, Sue Owens, at (503) 842-8222, Ext. 1159, at least 48 hours in advance.

Pursuant to O.R.S. §192.660, the Board may, upon a vote of a majority of the members constituting a quorum, elect to go into Executive Session, which will not be open to the public.

DATE NOTICE PUBLISHED: Wednesday, January 4, 2006

TIME NOTICE PUBLISHED: 9:00 a.m.

ATTEST:

\_\_\_\_\_  
RALPH ORR - PRESIDENT  
TILLAMOOK BAY COMMUNITY COLLEGE

Notice  
Distribution

1. TBCC BOARD OF EDUCATION MEMBERS
2. HEADLIGHT-HERALD NEWSPAPER
3. NORTH COAST CITIZEN NEWSPAPER
4. KTIL/KMBD RADIO
5. COAST 105 RADIO
5. TBCC WEB SITE
6. TBCC ADMINISTRATORS AND STAFF
7. TBCC FACULTY SENATE PRESIDENT
8. PORTLAND COMMUNITY COLLEGE PRESIDENT & LIAISON
9. ESD ADMINISTRATOR
10. OCCA EXECUTIVE DIRECTOR
11. PUBLIC BUDGET COMMITTEE

## **Tillamook Bay Community College**

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# Board of Education Meeting Agenda

**Date:**  
January 9, 2006

TBCC First St. Campus – Room Nine  
2510 First St., Tillamook, Oregon 97141

**Time:**  
6:30 p.m.

<b><u>Item</u></b>	<b><u>Description</u></b>	<b><u>Resource</u></b>
<b>1.</b>	<b>Call to Order • Acknowledge Guests -----</b>	Chairman Weitman
	• Cam Preus-Braly, Commissioner, Oregon Department of Community Colleges and Workforce Development	
<b>2.</b>	<b>Approval of the Agenda -----(Action)</b>	Chairman Weitman
<b>3.</b>	<b>Invitation of Public Comment -----</b>	Chairman Weitman
	Available at both the beginning and end of the meeting is an opportunity for the public to comment on any issue within the jurisdiction of the Tillamook Bay Community College Board of Education. The Board Chair may determine reasonable time, space and manner limitations. At the conclusion of public comment, individual members of the Board may respond to comments made by those who have addressed the Board, may ask staff to review a matter, or may ask that a matter be put on a future agenda.	
<b>4.</b>	<b>December 5, 2005 Board Meeting and Executive Session Minutes and January 5, 2006 Board Workshop Minutes -----(Action)</b>	Chairman Weitman
<b>5.</b>	<b>Reports:</b>	
	A. Oregon Community College Association -----	Director Swain
	B. Financial Position and Audit Report for Year Ended June 30, 2005 ---(Action)	Comptroller Williams
<b>6.</b>	<b>Old Business:</b>	
<b>7.</b>	<b>New Business</b>	
	A. Discussion with Commissioner Preus-Braly -----	Commissioner Preus-Braly
<b>8.</b>	<b>Standing Business:</b>	
	A. Strategic Planning and Accreditation-----	Dean Gates
	B. Courses and Curricula -----	Dean Gates
	C. Grants and Contracts -----	Dean Ellison
	D. Board of Education Policy -----(Action)	President Orr
	E. Facilities -----	President Orr
	F. Personnel -----	President Orr
	Pursuant to O.R.S. § 192.660(2)(f)(i), the Board may, upon a vote of a majority of the members constituting a quorum, elect to go into Executive Session, which will not be open to the public to consider Agenda Item 8.F.	
<b>9.</b>	<b>Announcements and General Information-----</b>	President Orr
<b>10.</b>	<b>Invitation of Public Comment -----</b>	Chairman Weitman
<b>11.</b>	<b>Board Member Discussion Items -----</b>	Chairman Weitman
<b>12.</b>	<b>Adjournment----- (Action)</b>	Chairman Weitman



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# Board of Education Meeting Minutes

December 5, 2005

2510 First Street, Tillamook, OR 97141, Room Eight

**Directors Present:** Bob Weitman, Ruth Jensen, Steve Shaw, Ann Swain, Craig Wakefield and Rose Wharton

**Directors Absent:** James McGinnis

**Staff Present:** President Orr, Lori Gates, Ron Ellison, Kyra Williams, Sue Owens

**Guests Present:**

- Betsy Johnson, Oregon State Senator
- Deborah Boone, Oregon State Representative
- Tim Josi, Tillamook County Commissioner
- Mark Labhart, Tillamook County Commissioner
- Ed Armstrong, Tillamook School District #9 Foundation Director

**Call to Order:**

Chair Weitman called the meeting to order at 6:45 p.m.

**Approval of Agenda:**

Chair Weitman and President Orr welcomed and introduced the guests as noted, extending apologies from Commissioner Preus-Braly and Executive Director Henderson who were unable to attend as expected. On approval of a motion by Director Wakefield, it was resolved to approve the agenda as presented.

**Special Resolution in Recognition of Service to the College:**

Chair Weitman recited the resolution recognizing the guests and offered them an opportunity to comment. Each guest thanked TBCC for the recognition and noted that the hard work was yet to come. Each guest pledged support as TBCC moves forward on the bond measure.

On approval of a motion by Director Swain, it was resolved that the TBCC Board of Education recognize and extend appreciation to several community leaders for their hard work, leadership, dedication and support on behalf of the college during the 2005 legislative session. Resolution attached and made a part of these official minutes. The guests left the meeting at that point.

**Invitation of Public Comment:**

There was no public comment.

**Approval of Minutes:**

On approval of a motion by Director Wakefield, it was resolved that the Regular Meeting and Executive Session minutes of November 7, 2005 and November 21, 2005 Special Meeting minutes be approved. Minutes attached and made a part of the official minutes.

**Reports:**

Oregon Community College Association: (Item 6.A) In the absence of Executive Director Andrea Henderson, it was agreed to defer this item until an upcoming meeting when she is present.

Financial Position: (Item 6.B) Report is attached and made a part of the official minutes. Ms. Williams informed the Board that the preliminary audit was positive and that the formal report should be available for the January 9, 2006 meeting.

**Old Business:**



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Discussion with Commissioner Preus-Braly: (Item 7.A) In the absence of Commissioner Preus-Braly this discussion was deferred until a later meeting.

2006-2007 Academic Calendar: (Item 7.B) President Orr explained a proposed change for the 2006 Christmas and New Year's Holiday. Staff will all take vacation to allow College closure for the week between the holidays. On approval of a motion by Director Shaw, it was resolved to approve the 2006-2007 Academic Calendar as amended. Report attached and made a part of the official minutes.

**New Business:**

No new business.

**Standing Business:**

Strategic Planning and Accreditation: (Item 9.A) Report attached and made a part of the official minutes.

Courses and Curricula: (Item 9.B) On approval of a motion by Director Swain, it was resolved to approve the Retail Management Certificate as presented. Report attached and made a part of the official minutes.

Grants and Contracts: (Item 9.C) Report attached and made a part of the official minutes.

Board of Education Policy: (Agenda Item 9.D) Report attached and made a part of the official minutes.

Facilities: (Agenda Item 9.E). Report attached and made a part of the official minutes.

Personnel: (Agenda Item 9.F) Report attached and made a part of the official minutes.

Executive Session was moved to follow Agenda Item 12, Board Member Discussion Items.

**Announcements and General Information:**

Report attached and made a part of the official minutes.

**Invitation for Public Comment:**

None.

**Board Member Discussion Items:**

There were no discussion items.

**Executive Session:**

On approval of a motion by Director Wakefield, it was resolved to move into Executive Session to consider Agenda Item 9.F at 7:40 p.m.

Regular Meeting resumed at 8:20 p.m. On approval of a motion by Director Wakefield, it was resolved to authorize Ron Ellison, as the College's Chief Personnel Officer, to convey to our insurance carrier the College's willingness to settle the two lawsuits currently pending and pay the deductible on our liability insurance coverage toward a settlement. Votes in agreement were Chair Weitman and Directors Wakefield, Wharton, and Jensen. Directors Shaw and Swain voted in opposition. Motion carried. (4/2)

**Adjournment:**

Upon approval of a motion by Director Swain, it was resolved to adjourn at 8:34 p.m.

Respectfully submitted,

Ralph Orr, Clerk of the Board



**Tillamook Bay Community College**

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# Board of Education Meeting Minutes

January 5, 2006

2510 First Street, Tillamook, OR 97141, Room Eight

**Directors Present:** Bob Weitman, Ruth Jensen, James McGinnis, Steve Shaw, Ann Swain, and Craig Wakefield

**Directors Absent:** Rose Wharton

**Staff Present:** President Orr, Lori Gates, Ron Ellison, Sue Owens

**Guests Present:** Leonard Brogden, TBCC student and community member, and Ms. Jan Coulton, consultant

**Call to Order:**

Chair Weitman called the meeting to order at 5:09 p.m.

**Approval of Agenda:**

On approval of a motion by Director McGinnis, it was resolved to approve the agenda as presented.

**Presentation and Discussion on Bond Measure Campaign:**

Ms. Coulton presented a copy of talking points to use to promote the bond a copy of which is included and made a part of the official minutes.

Ms. Coulton's presentation was followed by a brief opportunity for directors to role play a Q & A time.

**Board Member Discussion Items:**

There was lengthy discussion regarding recent or potential letters to the editor and how, if or when, the board should respond in light of the bond. A letter was drafted for submission to the Headlight-Herald.

President Orr distributed a sign up sheet for public speaking opportunities asking the directors to please advise him by the next meeting, Monday, January 9, which meetings they would like to be responsible for.

**Adjournment:**

Upon approval of a motion by Director Wakefield, it was resolved to adjourn at 7:05 p.m.

Respectfully submitted,

Ralph Orr, Clerk of the Board



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# Board of Education Executive Session Minutes

December 5, 2005  
2510 First Street, Tillamook, OR 97141, Conference Room

**Call to Order:** Chair Weitman called the meeting to order at 7:45 p.m.

**Directors Present:** Bob Weitman, Ruth Jensen, Steve Shaw, Ann Swain, Craig Wakefield, and Rose Wharton

**Directors Absent:** James McGinnis

**Staff Present:** President Ralph Orr

The Board received an update on pending litigation from legal counsel and discussed options for continuing or settling the case and discussed related personnel issues.

Director Swain moved to adjourn to regular session. Director Wakefield seconded. Passed unanimously. (6/0)

**Return to Regular Session:** 8:20 p.m.

Submitted by Ralph Orr, Board Clerk



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## Oregon Community College Association

### RECOMMENDATION

Information only – No action requested.

### BACKGROUND INFORMATION-----Director Swain

The OCCA Board has not met since the last meeting of the TBCC Board and there is no additional business to report.

### Oregon Community College Association

MISSION:	• To advocate, communicate, and collaborate in order to strengthen community colleges for the benefit of Oregonians.
SCHEDULE:	• The Association shall meet three times a year, generally in the fall, winter, and spring unless the Executive Committee decides otherwise.
OFFICERS:	Chair----- Chuck Clemens (Clackamas Community College)
	Vice-Chair ----- Marilyn Lane (Clatsop Community College)
	Treasurer ----- Jim Sorenson (Treasure Valley Community College)
	Secretary ----- Preston Pulliams (Portland Community College)
	At-Large Representative ----- Connie Lee (Central Oregon Community College)
	Executive Director----- Andrea Henderson



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## Financial Position

### **RECOMMENDATION**

Accept and approve for filing and distribution the 2004-2005 Financial Reports and Audit.

### **BACKGROUND INFORMATION**----- **Comptroller Williams**

Comptroller Williams will be prepared to present the financial reports and 2004-2005 Financial Reports and Audit and address questions.



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Tillamook Bay Community College  
 Unaudited Summary Financial Information  
 General Fund  
 Fiscal Year-to-Date Ended November 2005  
 41.67% of fiscal year elapsed

	2004-2005 Annual Budget	2004-2005 Actual	2004-2005 Percentage of Budget	2005-2006 Annual Budget	2005-2006 Actual	2005-2006 Percentage of Budget
<b>Resources</b>						
State	\$ 1,031,603	\$ 683,466.00	66.25%	\$ 1,376,240	\$ 876,284.25	63.67%
Tuition	\$ 261,515	\$ 133,744.00	51.14%	\$ 315,000	\$ 181,309.00	57.56%
Fees	\$ 93,423	\$ 42,161.40	45.13%	\$ 91,000	\$ 43,200.96	47.47%
Taxes	\$ 720,000	\$ 561,558.83	77.99%	\$ 800,000	\$ 644,738.95	80.59%
Sale of Goods	\$ 20,050	\$ 650.00	3.24%	\$ 2,000	\$ 1,430.00	71.50%
Interest	\$ 6,000	\$ 7,868.10	131.14%	\$ 25,000	\$ 18,965.68	75.86%
Rental	\$ 50	\$ -	0.00%	\$ -	\$ -	0.00%
Miscellaneous	\$ 1,000	\$ 24,840.85	2484.09%	\$ 10,000	\$ 902.85	9.03%
Working capital	\$ 1,166,540	\$ 1,098,625.15	94.18%	\$ 769,609	\$ 1,040,429.72	135.19%
Transfers	\$ 120,000	\$ 47,717.75	39.76%	\$ 238,821	\$ 163,942.94	68.65%
Repayment of Short-Term Loan	\$ -	\$ -	0.00%	\$ 49,043	\$ -	0.00%
<b>Total resources</b>	<b>\$ 3,420,181</b>	<b>\$ 2,600,632.08</b>	<b>76.04%</b>	<b>\$ 3,676,713</b>	<b>\$ 2,971,204.35</b>	<b>80.81%</b>
<b>Expenditures</b>						
Instruction	\$ 827,553	\$ 207,171.15	25.03%	\$ 796,712	\$ 245,678.47	30.84%
Instructional Support	\$ 338,531	\$ 133,713.87	39.50%	\$ 324,631	\$ 135,288.02	41.67%
Student Services	\$ 268,620	\$ 109,203.68	40.65%	\$ 291,264	\$ 137,276.98	47.13%
College Support	\$ 846,095	\$ 354,278.99	41.87%	\$ 1,012,079	\$ 475,279.45	46.96%
Plant Operation	\$ 693,470	\$ 42,883.82	6.18%	\$ 391,715	\$ 99,205.09	25.33%
Financial Aid	\$ 84,732	\$ 18,485.86	21.82%	\$ 110,850	\$ 31,648.98	28.55%
Transfers	\$ 11,180	\$ 5,000.00	44.72%	\$ 111,120	\$ 27,964.61	0.00%
Contingency	\$ 50,000	\$ -	0.00%	\$ 50,000	\$ -	0.00%
<b>Total expenditures</b>	<b>\$ 3,120,181</b>	<b>\$ 870,737.37</b>	<b>27.91%</b>	<b>\$ 3,088,371</b>	<b>\$ 1,152,341.60</b>	<b>37.31%</b>
<b>Ending fund balance</b>	<b>\$ 300,000</b>	<b>\$ 1,729,894.71</b>	<b>576.63%</b>	<b>\$ 588,342</b>	<b>\$ 1,818,862.75</b>	<b>309.15%</b>

Agenda Item 5.B. Attachment #2  
Tillamook Bay Community College  
Unaudited Summary Financial Information (Modified Accrual Basis)  
Fiscal Year-to-Date Ended November 2005

	Fund No.	Beginning Working Capital	2005-2006 Revenue	2005-2006 Expenditures	Ending Working Capital	2005-2006 Spendable Budget	2004-2005 Prior Year Expenditures
Adult Basic Education	2	\$ -	\$ -	\$ 12,604.12	\$ (12,604.12)	\$ 52,700	\$ 12,883.81
Adult Ed Program Corrections - Sheriff's Office	3	\$ -	\$ 562.38	\$ 1,763.83	\$ (1,201.45)	\$ 11,349	\$ 3,962.14
SBDC Federal Grant	4	\$ -	\$ -	\$ 16,369.69	\$ (16,369.69)	\$ 30,250	\$ -
SBDC State Grant	5	\$ -	\$ -	\$ 14,326.85	\$ (14,326.85)	\$ 41,332	\$ 1,736.01
Student Assistance	9	\$ 3,700.83	\$ 100.00	\$ 180.00	\$ 3,620.83	\$ 3,500	\$ 25.00
SBDC Program Income	11	\$ 21,736.65	\$ 880.00	\$ 6,778.53	\$ 15,838.12	\$ 27,201	\$ 28,116.64
English Literacy/Civics Grant	20	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,809.12
Sprint Yellow Pages Literacy Grant	25	\$ 3,455.36	\$ -	\$ 26.45	\$ 3,428.91	\$ 3,000	\$ 127.57
United Way Literacy Grant	27	\$ 2,800.57	\$ 537.50	\$ 113.94	\$ 3,224.13	\$ 1,360	\$ 272.33
Teen Parent Funds	28	\$ 31,056.52	\$ -	\$ 31,056.52	\$ -	\$ 31,067	\$ 38,499.75
Community Block Child Care Grant	36	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 423.00
Tutor Grant	40	\$ -	\$ 265.05	\$ 3,375.48	\$ (3,110.43)	\$ 11,265	\$ 4,125.08
Work Keys Mini Grant	42	\$ 2,693.84	\$ -	\$ 248.20	\$ 2,445.64	\$ 2,500	\$ 140.00
TEC Vocational Education Grant	44	\$ -	\$ -	\$ 3,480.44	\$ (3,480.44)	\$ 12,500	\$ 15,278.57
Adult Ed Program Improvement Project Grant	46	\$ -	\$ 2,878.94	\$ 3,360.70	\$ (481.76)	\$ 7,404	\$ 687.31
Adult Ed Accountability Grant	47	\$ -	\$ 13,907.91	\$ 16,530.09	\$ (2,622.18)	\$ 29,148	\$ 3,824.79
The OR Community Foundation Grant	48	\$ 1,180.40	\$ -	\$ -	\$ 1,180.40	\$ -	\$ -
IWEB Connections Contract	55	\$ 5,363.71	\$ -	\$ -	\$ 5,363.71	\$ -	\$ -
Bay City Rental	62	\$ 10,754.48	\$ 3,262.88	\$ 1,597.85	\$ 12,419.51	\$ 5,800	\$ 2,440.78
Total Special Fund		\$ 82,742.36	\$ 22,394.66	\$ 111,812.69	\$ (6,675.67)	\$ 270,376	\$ 115,351.90
Schedule of Special Fund borrowing from General Fund		Ending Working Capital	Less Accounts Receivable	Add Liabilities	Ending Cash Balance 11/30/2005		
Total of Grants that borrow from the General Fund		\$ (54,196.92)	\$ 8,974.26	\$ 9,133.42	\$ (54,037.76)		
Total of Grants that are not borrowing from the General Fund		\$ 47,521.25	\$ 753.71	\$ 5,265.84	\$ 52,033.38		
Total Special Fund		\$ (6,675.67)	\$ 9,727.97	\$ 14,399.26	\$ (2,004.38)		
	Fund No.	Beginning Working Capital	2005-2006 Revenue	2005-2006 Expenditures	Ending Working Capital	2005-2006 Spendable Budget	2004-2005 Prior Year Expenditures
Associated Students of TBCC	32	\$ 1,208.87	\$ 394.25	\$ 423.27	\$ 1,179.85	\$ 2,100	\$ 2,628.74
Phi Theta Kappa Honorary Society Fund	33	\$ 261.16	\$ 1,269.08	\$ 813.62	\$ 716.62	\$ 3,200	\$ 290.03
TBCC Staff Coffee and Water	35	\$ (315.82)	\$ 13.40	\$ -	\$ (302.42)	\$ -	\$ -
Total Agency Fund		\$ 1,154.21	\$ 1,676.73	\$ 1,236.89	\$ 1,594.05	\$ 5,300	\$ 2,918.77
Building Reserve Fund	60	\$ 503,069.29	\$ 110,617.51	\$ 130,090.23	\$ 483,596.57	\$ 195,000	\$ 47,717.75
Customized Training Projects	56	\$ 7,097.00	\$ -	\$ -	\$ 7,097.00	\$ -	\$ 2,301.16
Community Education	63	\$ (21,917.92)	\$ 12,371.00	\$ 8,122.49	\$ (17,669.41)	\$ 102,354	\$ 24,801.88
Bookstore	65	\$ 15,030.00	\$ 54,065.15	\$ 51,684.25	\$ 17,410.90	\$ 96,438	\$ 45,059.68
Total Enterprise Fund		\$ 209.08	\$ 66,436.15	\$ 59,806.74	\$ 6,838.49	\$ 198,792	\$ 72,162.72
PERS Pension Bond Fund	67	\$ 1,176.45	\$ 53,397.08	\$ -	\$ 54,573.53	\$ 111,120	\$ -

Agenda Item 5.B - Attachment #3

Tillamook Bay Community College

Summary Financial Information - Cash Status

Preliminary for Fiscal Year-to-Date Ended November 2005

41.67% of Budget Period Expended

	General Fund			Special Fund			Building Reserve Fund			Debt Service Fund		
	Budget	Actual	%	Budget	Actual	%	Budget	Actual	%	Budget	Actual	%
Beginning Cash Balance (Note 1)		<u>\$ 1,249,021</u>			<u>\$ 51,508</u>			<u>\$ 413,809</u>			<u>\$ 1,176</u>	
Beginning Fund Balance	<u>\$ 769,609</u>	<u>\$ 1,040,430</u>	135.19%	<u>\$ 120,326</u>	<u>\$ 82,742</u>	68.76%	<u>\$ 455,458</u>	<u>\$ 503,069</u>	110.45%	<u>\$ -</u>	<u>\$ 1,176</u>	0.00%
Resources												
State Aid	\$ 1,376,240	\$ 876,284	63.67%	\$ -	\$ -	0.00%	\$ -	\$ -	0.00%	\$ -	\$ -	0.00%
Grants and Contracts	\$ -	\$ -	0.00%	\$ 200,309	\$ 18,152	9.06%	\$ -	\$ -	0.00%	\$ -	\$ -	0.00%
Tuition and Fees	\$ 406,000	\$ 224,510	55.30%	\$ 7,672	\$ 880	11.47%	\$ -	\$ -	0.00%	\$ -	\$ -	0.00%
Local Taxes	\$ 800,000	\$ 644,739	80.59%	\$ -	\$ -	0.00%	\$ -	\$ -	0.00%	\$ -	\$ -	0.00%
Timber	\$ -	\$ -	0.00%	\$ -	\$ -	0.00%	\$ 270,000	\$ 104,869	38.84%	\$ -	\$ -	0.00%
Sale of Goods	\$ 2,000	\$ 1,430	71.50%	\$ 7,000	\$ -	0.00%	\$ -	\$ -	0.00%	\$ -	\$ -	0.00%
Interest	\$ 25,000	\$ 18,966	75.86%	\$ -	\$ -	0.00%	\$ 13,000	\$ 5,748	44.22%	\$ -	\$ -	0.00%
Rental (Note 2)	\$ -	\$ -	0.00%	\$ 4,500	\$ 3,263	72.51%	\$ -	\$ -	0.00%	\$ -	\$ -	0.00%
Miscellaneous	\$ 10,000	\$ 903	9.03%	\$ -	\$ 100	0.00%	\$ -	\$ -	0.00%	\$ -	\$ -	0.00%
Repayment of Short-Term Loans	\$ 49,043	\$ -	0.00%	\$ -	\$ -	0.00%	\$ -	\$ -	0.00%	\$ -	\$ -	0.00%
Transfers	<u>\$ 238,821</u>	<u>\$ 163,943</u>	0.00%	<u>\$ -</u>	<u>\$ -</u>	0.00%	<u>\$ -</u>	<u>\$ -</u>	0.00%	<u>\$ 111,120</u>	<u>\$ 53,397</u>	0.00%
Total Revenues	<u>\$ 2,907,104</u>	<u>\$ 1,930,775</u>	66.42%	<u>\$ 219,481</u>	<u>\$ 22,395</u>	10.20%	<u>\$ 283,000</u>	<u>\$ 110,617</u>	39.09%	<u>\$ 111,120</u>	<u>\$ 53,397</u>	0.00%
Expenditures												
Salaries and Wages	\$ 1,701,546	\$ 730,630	42.94%	\$ 176,869	\$ 57,502	32.51%	\$ -	\$ -	0.00%	\$ -	\$ -	0.00%
Operating Expenditures	\$ 839,364	\$ 204,199	24.33%	\$ 47,139	\$ 15,891	33.71%	\$ -	\$ -	0.00%	\$ -	\$ -	0.00%
Capital Outlay	\$ 386,341	\$ 189,548	49.06%	\$ 5,200	\$ 5,098	0.00%	\$ -	\$ -	0.00%	\$ -	\$ -	0.00%
Debt Service	\$ -	\$ -	0.00%	\$ -	\$ -	0.00%	\$ -	\$ -	0.00%	\$ 111,120	\$ -	0.00%
Transfers	\$ 111,120	\$ 27,965	0.00%	\$ 41,168	\$ 33,322	0.00%	\$ 195,000	\$ 130,090	66.71%	\$ -	\$ -	0.00%
Other budgetary accounts (Note 3)	<u>\$ 50,000</u>	<u>\$ -</u>	0.00%	<u>\$ 49,043</u>	<u>\$ -</u>	0.00%	<u>\$ -</u>	<u>\$ -</u>	0.00%	<u>\$ -</u>	<u>\$ -</u>	0.00%
Total expenditures	<u>\$ 3,088,371</u>	<u>\$ 1,152,342</u>	37.31%	<u>\$ 319,419</u>	<u>\$ 111,813</u>	35.01%	<u>\$ 195,000</u>	<u>\$ 130,090</u>	66.71%	<u>\$ 111,120</u>	<u>\$ -</u>	0.00%
Ending Fund Balance	<u>\$ 588,342</u>	<u>\$ 1,818,863</u>		<u>\$ 20,388</u>	<u>\$ (6,676)</u>		<u>\$ 543,458</u>	<u>\$ 483,596</u>		<u>\$ -</u>	<u>\$ 54,573</u>	
Adjustments to bring Ending Fund Balance to Ending Cash Balance												
Assets												
Receivables		\$ 89,237			\$ 9,728			\$ -			\$ -	
Inventories		\$ -			\$ -			\$ -			\$ -	
NET EFFECT ON CASH		<u>\$ (89,237)</u>			<u>\$ (9,728)</u>			<u>\$ -</u>			<u>\$ -</u>	
Liabilities												
Accounts Payable		\$ 4,398			\$ 1,426			\$ -			\$ -	
Unearned Revenue (Note 4)		\$ 44,488			\$ -			\$ -			\$ -	
Payroll		\$ 104,225			\$ 12,973			\$ -			\$ -	
NET EFFECT ON CASH		<u>\$ 153,111</u>			<u>\$ 14,399</u>			<u>\$ -</u>			<u>\$ -</u>	
NET ADJUSTMENTS		<u>\$ 63,874</u>			<u>\$ 4,671</u>			<u>\$ -</u>			<u>\$ -</u>	
ENDING CASH BALANCE		<u>\$ 1,882,737</u>			<u>\$ (2,005)</u>			<u>\$ 483,596</u>			<u>\$ 54,573</u>	

Agenda Item 5.B - Attachment #3

Tillamook Bay Community College

Summary Financial Information - Cash Status

Preliminary for Fiscal Year-to-Date Ended November 2

41.67% of Budget Period Expended

	Enterprise Fund - Community Ed			Enterprise Fund - Bookstore			Enterprise Fund - Customized Training			Agency Fund		
	Budget	Actual	%	Budget	Actual	%	Budget	Actual	%	Budget	Actual	%
Beginning Cash Balance (Note 1)		<u>\$ (14,915)</u>			<u>\$ (5,073)</u>			<u>\$ 7,097</u>			<u>\$ 1,219</u>	
Beginning Fund Balance	<u>\$ 12,266</u>	<u>\$ (21,918)</u>	<u>-178.69%</u>	<u>\$ 11,314</u>	<u>\$ 15,030</u>	<u>132.84%</u>	<u>\$ -</u>	<u>\$ 7,097</u>	<u>0.00%</u>	<u>\$ 300</u>	<u>\$ 1,154</u>	<u>384.67%</u>
Resources												
State Aid	\$ -	\$ -	0.00%	\$ -	\$ -	0.00%	\$ -	\$ -	0.00%	\$ -	\$ -	0.00%
Grants and Contracts	\$ 2,386	\$ -	0.00%	\$ -	\$ -	0.00%	\$ -	\$ -	0.00%	\$ -	\$ -	0.00%
Tuition and Fees	\$ 103,072	\$ 12,371	12.00%	\$ -	\$ -	0.00%	\$ -	\$ -	0.00%	\$ -	\$ -	0.00%
Local Taxes	\$ -	\$ -	0.00%	\$ -	\$ -	0.00%	\$ -	\$ -	0.00%	\$ -	\$ -	0.00%
Timber	\$ -	\$ -	0.00%	\$ -	\$ -	0.00%	\$ -	\$ -	0.00%	\$ -	\$ -	0.00%
Sale of Goods	\$ -	\$ -	0.00%	\$ 97,500	\$ 54,030	55.42%	\$ -	\$ -	0.00%	\$ -	\$ -	0.00%
Interest	\$ -	\$ -	0.00%	\$ -	\$ -	0.00%	\$ -	\$ -	0.00%	\$ -	\$ -	0.00%
Rental (Note 2)	\$ -	\$ -	0.00%	\$ -	\$ -	0.00%	\$ -	\$ -	0.00%	\$ -	\$ -	0.00%
Miscellaneous	\$ -	\$ -	0.00%	\$ 200	\$ 35	0.00%	\$ -	\$ -	0.00%	\$ 5,800	\$ 1,677	28.91%
Repayment of Short-Term Loans	\$ -	\$ -	0.00%	\$ -	\$ -	0.00%	\$ -	\$ -	0.00%	\$ -	\$ -	0.00%
Transfers	\$ -	\$ -	0.00%	\$ -	\$ -	0.00%	\$ -	\$ -	0.00%	\$ -	\$ -	0.00%
Total Revenues	<u>\$ 105,458</u>	<u>\$ 12,371</u>	<u>11.73%</u>	<u>\$ 97,700</u>	<u>\$ 54,065</u>	<u>55.34%</u>	<u>\$ -</u>	<u>\$ -</u>	<u>0.00%</u>	<u>\$ 5,800</u>	<u>\$ 1,677</u>	<u>28.91%</u>
Expenditures												
Salaries and Wages	\$ 84,339	\$ 7,182	8.52%	\$ 18,129	\$ 9,217	50.84%	\$ -	\$ -	0.00%	\$ -	\$ -	0.00%
Operating Expenditures	\$ 16,636	\$ 941	5.66%	\$ 77,035	\$ 41,937	54.44%	\$ -	\$ -	0.00%	\$ 5,300	\$ 1,237	23.34%
Capital Outlay	\$ -	\$ -	0.00%	\$ -	\$ -	0.00%	\$ -	\$ -	0.00%	\$ -	\$ -	0.00%
Debt Service	\$ -	\$ -	0.00%	\$ -	\$ -	0.00%	\$ -	\$ -	0.00%	\$ -	\$ -	0.00%
Transfers	\$ -	\$ -	0.00%	\$ 1,274	\$ 531	0.00%	\$ -	\$ -	0.00%	\$ -	\$ -	0.00%
Other budgetary accounts (Note 3)	\$ -	\$ -	0.00%	\$ -	\$ -	0.00%	\$ -	\$ -	0.00%	\$ -	\$ -	0.00%
Total expenditures	<u>\$ 100,975</u>	<u>\$ 8,123</u>	<u>8.04%</u>	<u>\$ 96,438</u>	<u>\$ 51,685</u>	<u>53.59%</u>	<u>\$ -</u>	<u>\$ -</u>	<u>0.00%</u>	<u>\$ 5,300</u>	<u>\$ 1,237</u>	<u>23.34%</u>
Ending Fund Balance	<u>\$ 16,749</u>	<u>\$ (17,670)</u>		<u>\$ 12,576</u>	<u>\$ 17,410</u>		<u>\$ -</u>	<u>\$ 7,097</u>		<u>\$ 800</u>	<u>\$ 1,594</u>	
Adjustments to bring Ending Fund Balance to Ending Cash Balance												
Assets												
Receivables		\$ -			\$ -			\$ -			\$ -	
Inventories		\$ -			\$ 13,737			\$ -			\$ -	
NET EFFECT ON CASH		<u>\$ -</u>			<u>\$ (13,737)</u>			<u>\$ -</u>			<u>\$ -</u>	
Liabilities												
Accounts Payable		\$ 51			\$ (6,378)			\$ -			\$ -	
Unearned Revenue (Note 4)		\$ -			\$ -			\$ -			\$ -	
Payroll		\$ 779			\$ 1,620			\$ -			\$ -	
NET EFFECT ON CASH		<u>\$ 830</u>			<u>\$ (4,758)</u>			<u>\$ -</u>			<u>\$ -</u>	
NET ADJUSTMENTS		<u>\$ 830</u>			<u>\$ (18,495)</u>			<u>\$ -</u>			<u>\$ -</u>	
ENDING CASH BALANCE		<u>\$ (16,840)</u>			<u>\$ (1,085)</u>			<u>\$ 7,097</u>			<u>\$ 1,594</u>	

Total Cash per General Ledger (Note 5)

**\$2,409,667**

Cell: A10

Comment: Note 1. Negative Amount indicates borrowing from the General Fund.

Cell: A22

Comment: Note 2. Rental of Bay City Site and a portion of Wilson School.

Cell: A37

Comment: Note 3. Contingency in the General Fund, repayment of borrowing in Special Fund and reserved for future expenditures in Building Reserve Fund.

Cell: A65

Comment: Note 4. Assessed but unreceived property taxes.

Cell: Q74

Comment: Note 5. Amount ties with cash and cash equivalents on deposit at end of momth.

**TILLAMOOK BAY COMMUNITY COLLEGE  
TILLAMOOK COUNTY, OREGON**

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**ANNUAL FINANCIAL REPORT  
Year Ended June 30, 2005**

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**TILLAMOOK BAY COMMUNITY COLLEGE**  
**Tillamook County, Oregon**

**OFFICERS AND MEMBERS OF THE GOVERNING BOARD**

**June 30, 2005**

**CHAIRPERSON**

Steven Shaw 9831 Kilchis River Road, Tillamook, Oregon 97141

**VICE-CHAIRPERSON**

Robert Weitman 1015 Hollyridge Drive, Tillamook, Oregon 97141

**OTHER MEMBERS**

Ruth Jensen 2250 Nielsen Road, Tillamook, Oregon 97141

James P. McGinnis P.O. Box 1166, Tillamook, Oregon 97141

Ann Swain P.O. Box 540, Rockaway Beach, Oregon 97136

Craig Wakefield P.O. Box 394, Oceanside, Oregon 97134

Rose Wharton 35025 Highway 101 South, Cloverdale, Oregon 97112

**PRESIDENT, CLERK, AND REGISTERED AGENT**

Ralph Orr 2510 First Street, Tillamook, Oregon 97141



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## CONTENTS

	<u>Page</u>
<b>INDEPENDENT AUDITOR'S REPORT</b>	1
<b>MANAGEMENT'S DISCUSSION AND ANALYSIS</b>	2-7
<b>BASIC FINANCIAL STATEMENTS</b>	
Statement of Net Assets	8
Statement of Revenues, Expenses and Changes in Net Assets	9
Statement of Cash Flows	10
Notes to Financial Statements	11-18
<b>OTHER SUPPLEMENTARY INFORMATION</b>	
Description of Budgeted College Funds	19
General Fund: Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	20
Special Revenue Fund: Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	21
Building Reserve Fund: Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	22
Debt Service Fund: Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	23
Enterprise Fund: Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	24
Agency Fund: Schedule of Revenues, Expenditures and Changes in Due to Others - Budget and Actual	25
Schedule of Property Tax Transactions	26
<b>INDEPENDENT AUDITOR'S COMMENTS</b>	27-28

## **INDEPENDENT AUDITOR'S REPORT**

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KENNETH KUHNS & CO.  
CERTIFIED PUBLIC ACCOUNTANTS  
570 LIBERTY STREET S.E., SUITE 210  
SALEM OREGON 97301-3594  
TELEPHONE (503) 585-2550

INDEPENDENT AUDITOR'S REPORT

November 10, 2005

Board of Education  
Tillamook Bay Community College  
Tillamook, Oregon

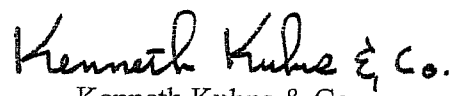
We have audited the statement of net assets of Tillamook Bay Community College as of June 30, 2005, and the related statements of revenues, expenses and changes in net assets and cash flows for the year then ended. These financial statements are the responsibility of the College's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Tillamook Bay Community College as of June 30, 2005, and the changes in its financial position and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Management's discussion and analysis on pages 2 through 7 is not a required part of the financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The other supplementary information listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements of Tillamook Bay Community College. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly presented in all material respects in relation to the basic financial statements taken as a whole.

  
Kenneth Kuhns & Co.

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## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

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# TILLAMOOK BAY COMMUNITY COLLEGE

## Management's Discussion and Analysis

This section of Tillamook Bay Community College's (the College) annual financial report presents an analysis of the College's financial performance during the fiscal year ended June 30, 2005. This report has been prepared by management, along with the financial statements and related footnote disclosures, and should be read in conjunction with them. Consequently, management assumes full responsibility for the completeness and reliability of all the information presented in this report. This discussion is designed to focus on current activities, resulting changes and current known facts.

### **New Accounting Standards**

The financial statements have been prepared in accordance with Governmental Accounting Standards Board Statement No. 35, "Basic Financial Statements and Management's Discussion and Analysis for Public Colleges and Universities" which were adopted in November, 1999. The College was required to adopt this standard for the fiscal year ended June 30, 2004. This is the first year that the college's financial activities are being presented in this analysis in a comparative format with two years of data.

### **Using the Financial Statements**

This discussion and analysis is intended to serve as an introduction to Tillamook Bay Community College's basic financial statements, which are comprised of entity-wide financial statements prepared in accordance with the accrual basis of accounting and notes to the basic financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

The entity-wide financial statements are designed to provide readers with a broad overview of the College's finances, in a manner similar to a private-sector business. These statements focus on the financial condition of the College, the results of operations, and cash flows of the College as a whole. The entity-wide statements are comprised of the following:

- The *Statement of Net Assets* presents the College's assets and liabilities, with the difference between the two reported as *net assets*. Over time, increases or decreases in the net assets are indicators of the improvement or deterioration of the College's financial health when considered along with non-financial facts such as enrollment levels and the condition of the facilities.
- The *Statement of Revenues, Expenses and Changes in Net Assets* presents the revenues earned and the expenses incurred during the year. All changes in net assets are reported under the accrual basis of accounting, or as soon as the underlying event giving rise to the change occurs regardless of the timing when the cash is received or occurred. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods. The utilization of long-lived assets is reflected in the financial statements as depreciation, which amortizes the cost of the capital assets over the expected useful life. Revenues and expenses are reported as either operating or non-operating. The primary sources of operating revenues include tuition, grants and contracts. State appropriations and property taxes are classified as non-operating revenues. Because of the College's dependency on state aid and property tax revenue, this statement presents an operating loss although overall net assets remain positive.
- The *Statement of Cash Flows* presents information on cash flows from operating activities, noncapital financing activities, capital financing activities and investing activities. It provides the net increase or decrease in cash between the beginning and end of the fiscal year. This statement assists in evaluating the College's ability to meet financial obligations as they become due.
- The *Notes to the Basic Financial Statements* provide additional information that is essential to a full understanding of the data provided in the entity-wide financial statements.

## **Financial Highlights**

The College's financial position at June 30, 2005 shows assets of \$4,618,657, liabilities of \$2,062,861 and net assets of \$2,555,796, which was an increase from the prior year. This was due in part to capital purchases for a new administrative information system and additions to the library collection. In addition, the College was able to reduce expenses in an effort to conserve resources.

In the spring of 2004, the Board raised tuition rates by \$1, to \$55 per credit, effective for Fall 2004. In addition, enrollment increased 15.5% from 300.5 to 346.95. This increased total tuition and fees revenue by \$80,364 over 2004.

In order to reduce the cost increases from the Public Employees Retirement System, the college prepaid its unfunded actuarial liability by issuing pension obligation pods for \$1,695,000.

The College's largest net asset reflects unrestricted net assets. Current assets include a significant amount of cash and investments. A portion of these assets will be used to make contractual payments on the purchase of a new administrative information system and purchase of a new telephone system.

### **Analysis of the Statement of Net Assets**

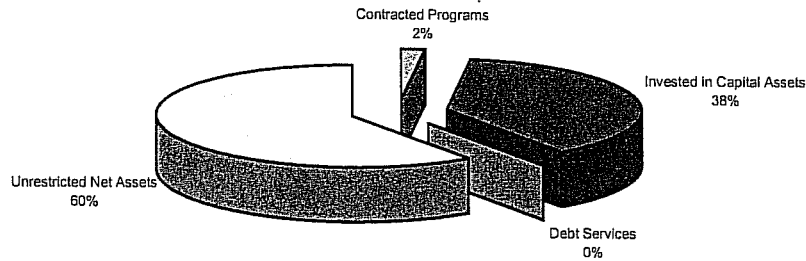
This Statement includes all assets and liabilities of the College using the accrual basis of accounting. Net assets is the difference between assets and liabilities, and is one measure of the financial condition of the College.

	2005	2004
<b>Assets</b>		
Current assets	\$ 1,948,925	\$ 1,872,875
Capital assets, net of depreciation	975,632	829,964
Pension assets	1,658,161	-
Other noncurrent assets	35,939	-
Total assets	<u>4,618,657</u>	<u>2,702,839</u>
<b>Liabilities</b>		
Current liabilities	367,861	347,652
Long term debt	1,695,000	-
Total liabilities	<u>2,062,861</u>	<u>347,652</u>
<b>Net Assets</b>		
Invested in capital assets	975,632	829,964
Restricted	49,205	66,101
Unrestricted	1,530,959	1,459,122
Total net assets	<u>\$ 2,555,796</u>	<u>\$ 2,355,187</u>

Current assets include cash and investments from operations. The College's current assets of \$1,948,925 are sufficient to cover the College's current liabilities of \$367,861. This represents a current ratio of 5.3. Receivables consist of taxes, student accounts and various operating receivables. The College's two largest non-current assets are its investment in capital assets of \$975,632, net of depreciation, and the Pension assets from a June 2005 pension obligation bond financing.

The College's current liabilities primarily consist of accounts payable, payroll and payroll taxes payable, compensated absences payable and unearned revenue from tuition and fees. The non-current liabilities consist of the new pension obligation bonds long-term debt of \$1,695,000.

The largest portion of the College's net assets is the \$1,530,959 of unrestricted net assets. The College's restricted net assets consist of amounts set aside for grants and contracts and debt service. The College's unrestricted net assets consist of amounts for the continuing operation of the College. The following graph shows the allocation of net assets for the College:



### Analysis of the Statement of Revenues, Expenses and Changes in Net Assets

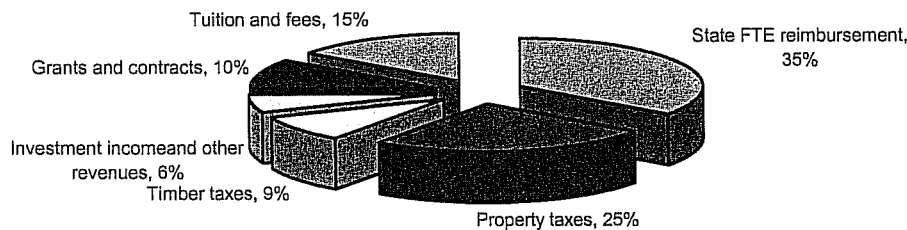
The Statement of Revenues, Expenses and Changes in Net Assets presents the operating results of the College as well as the non-operating revenues and expenses. Annual state reimbursements and property taxes, while budgeted for operations, are considered non-operating revenues according to accounting principles generally accepted in the United States of America (GAAP).

	2005	2004	% Change
<b>Operating Revenues:</b>			
Federal sources	\$ 111,656	\$ 152,429	-26.7%
State sources	29,323	16,196	81.1%
Tuition and fees	455,549	375,185	21.4%
Local sources	146,876	131,760	11.5%
Other sources	111,417	103,292	7.9%
<b>Total operating revenues</b>	<b>854,821</b>	<b>778,862</b>	<b>9.8%</b>
<b>Operating Expenses:</b>			
Instruction	866,865	785,344	10.4%
Instructional support	428,257	400,684	6.9%
Student services	367,142	336,683	9.0%
College support	862,904	737,205	17.1%
Plant operations and maintenance	134,173	115,541	16.1%
Financial aid	58,109	16,819	245.5%
Depreciation	30,263	29,775	1.6%
<b>Total operating expenses</b>	<b>2,747,713</b>	<b>2,422,051</b>	<b>13.4%</b>
<b>Operating Loss</b>	<b>(1,892,892)</b>	<b>(1,643,189)</b>	<b>15.2%</b>
<b>Non-Operating Revenues:</b>			
State community college support	1,027,794	1,440,308	-28.6%
State timber tax	3,483	2,199	58.4%
Property taxes	733,243	696,289	5.3%
County timber tax	263,541	204,035	29.2%
Investment income	39,405	15,988	146.5%
Miscellaneous income	26,035	2,625	891.8%
<b>Total non-operating revenues</b>	<b>2,093,501</b>	<b>2,361,444</b>	<b>-11.3%</b>
<b>Change in net assets</b>	<b>200,609</b>	<b>718,255</b>	<b>-72.1%</b>
<b>Net assets, beginning of year</b>	<b>2,355,187</b>	<b>1,636,932</b>	<b>43.9%</b>
<b>Net assets, end of year</b>	<b>\$ 2,555,796</b>	<b>\$ 2,355,187</b>	<b>8.5%</b>

## Revenues:

The most significant sources of operating revenue for the College are federal, state and local grants and contracts and student tuition and fees. Tuition and fees totaled \$455,549, an increase of 21.4% primarily due to an enrollment increase of 15.5%. Intergovernmental grants and contracts increased at a slower rate of 4.3%.

The largest non-operating revenue source is from the State of Oregon. Annually, the State of Oregon appropriates funding for K-16 education. The College received \$1,027,794 for FTE reimbursement allocation in this fiscal year. This represents a \$412,514 decrease from the prior year as a result of an overall change in the calculation of the funding formula and receiving the fourth quarter payment for FY 2002-03 in FY 2003-04. Additional non-operating revenues of \$733,243 were received from property taxes the College levied, an increase of 5.3%. Timber tax receipts totaled \$263,541, an increase of 29.2%. The following graph shows the allocation of revenues for the College:

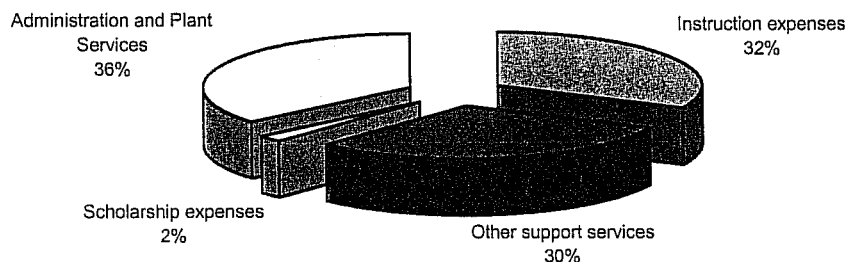


## Expenses:

Operating expenses totaling \$2,747,713 include salaries and benefits, materials and supplies, utilities, operating leases, scholarships and depreciation. Administration expenses, including plant services, represent the largest percentage of expenses at \$997,077 or 36% of total expenses. Instruction expenses represent \$866,865 or 32% of total expenses.

In FY 2004-05, the College's salaries and benefits increased by \$200,313, or 11.7% overall. A portion of this increase is the result of a partial (50%) implementation of recommendations contained in a salary survey conducted on behalf of the College in the prior fiscal year which caused salaries to increase by approximately 6% overall.

The College didn't have any non-operating expenses in fiscal year 2004-05. The following graph shows the allocation of expenses for the College:



## Analysis of the Statement of Cash Flows

This statement provides an assessment of the financial health of the College. Its primary purpose is to provide relevant information about the cash receipts and cash payments of the College during a period.

The statement of cash flows also helps users assess the ability of the College to meet obligations as they become due and the need for external financing.

	2005	2004
Cash Provided By (Used In):		
Operating Activities	\$ (1,742,458)	\$ (1,563,941)
Noncapital Financing Activities	2,038,289	2,347,150
Capital Financing Activities	(172,507)	(90,027)
Investing Activities	39,405	15,988
Net increase in cash	162,729	709,170
Cash -- Beginning of year	1,544,192	835,022
Cash -- End of year	\$ 1,706,921	\$ 1,544,192

The major sources of funds included in the operating activities include student tuition and fees and grants and contracts. Major uses were payments made to employees and suppliers.

State reimbursements, property taxes and timber taxes are the primary source of non-capital financing. The new accounting standards require that we reflect these sources of revenue as non-operating even though the College's budget depends on these revenues for operations. Property taxes are assessed to property owners within the College's tax base. The primary financing activities were a pension bond sale and payment of proceeds to the Public Employees Retirement System.

### **Budgetary Highlights**

Tillamook Bay Community College adopts an annual budget at the fund level. The level of control established through a Board resolution for each fund is the major expense function level (i.e., Instruction, Instructional Support, Student Services, College Support, Plant Operations and Maintenance, Financial Aid, and Contingencies and Other). The College generally budgets each governmental fund type under the modified accrual basis of accounting and the accrual basis for the enterprise fund. Appropriation transfers between existing budget categories can be authorized by resolution of the Tillamook Bay Board of Education.

### **Capital Assets and Debt Administration**

#### Capital Assets:

The College's investment in capital assets at June 30, 2005 amounts to \$975,632, net of accumulated depreciation. Investment in capital assets includes land, buildings, equipment and library collections. More detailed information about the College's capital assets is included in Note 3 to the financial statements.

#### Debt:

The College's debt increased \$1,695,000 during the current fiscal year. The increase is due to issuance of pension obligation bonds.

### **Economic Factors and Next Year's Budget**

The next few years will continue to be very challenging for the College. The College must find the proper balance between affordability for its students and the accessibility and quality of its instructional programs and services. It is evident that the College cannot rely solely upon the State for additional resources, but must continue to align its expenses with available resources.

During the 2004-05 fiscal year, the College received approximately \$.4 million dollars less in state revenue than fiscal year 2003-04. The primary difference was from the change in the payment structure of the state FTE reimbursement. After factoring out the delayed payment received in FY 2004, a reduction of 11% in state support was realized.

In addition, the College, as well as all agencies participating in the Oregon Public Employee's Retirement system, is facing increases in employer rates due to the economic downturn and drop in stock prices

during 2001 and 2002. In order to respond to the rate increase, the College prepaid its unfunded actuarial liability by issuing pension obligation bonds to lessen the cost over the long term.

In a continuing effort to raise additional resources, the Board also raised tuition rates by \$5, to \$60 per credit, effective for Fall 2005.

The budget for 2005-06 incorporated the remaining increase in salary and benefit costs resulting from the salary survey completed in FY 2004. While state funding stability remains questionable, it was recognized that employees were being paid below market level. The 2005-06 budget also includes contract payments on the purchase of a new administrative information system. The College is currently using multiple programs that are inefficient due to lack of integration.

### **Contacting the College's Financial Management**

This financial report is designed to provide our stakeholders, taxpayers and creditors with a general overview of the College's finances. Questions concerning any of the information in this report or requests for additional financial information should be addressed to:

Administrative Services  
Tillamook Bay Community College  
2510 First Street  
Tillamook, OR 97141

## **BASIC FINANCIAL STATEMENTS**

# TILLAMOOK BAY COMMUNITY COLLEGE

## Statement of Net Assets

*June 30, 2005*

### ASSETS

#### Current assets:

Cash and investments	\$ 1,706,921
Receivables, net:	
Accounts	30,011
Due from college staff	316
Property taxes	49,342
Timber taxes	89,261
Grants	57,962
Inventories	13,737
Prepaid expenses	1,375
Total current assets	<u>1,948,925</u>

#### Noncurrent assets:

Pension asset	1,658,161
Unamortized bond issue costs	35,939
Capital assets:	
Land	114,643
Buildings and improvements	945,896
Equipment	203,729
Library collection	35,615
Total capital assets	1,299,883
Less accumulated depreciation	<u>(324,251)</u>
Net capital assets	<u>975,632</u>
Total noncurrent assets	<u>2,669,732</u>
Total assets	<u>4,618,657</u>

### LIABILITIES

#### Current liabilities:

Accounts payable	97,387
Payroll payable	139,762
Compensated absences payable	91,399
Scholarships payable	1,577
Due to student organizations	1,470
Unearned revenue	36,266
Total current liabilities	<u>367,861</u>

#### Noncurrent liabilities:

Pension bonds payable	1,695,000
Total liabilities	<u>2,062,861</u>

### NET ASSETS

Invested in capital assets	975,632
Restricted for grants and contracts	48,029
Restricted for debt service	1,176
Unrestricted	1,530,959
Total net assets	<u>\$ 2,555,796</u>

The notes to the financial statements are an integral part of this statement.



# TILLAMOOK BAY COMMUNITY COLLEGE

## Statement of Revenues, Expenses and Changes in Net Assets

*For the year ended June 30, 2005*

Operating revenues:	
Federal sources	\$ 111,656
State sources	29,323
Tuition and fees	455,549
Local sources	146,876
Other sources	111,417
Total operating revenues	<u>854,821</u>
Operating expenses:	
Instruction	866,865
Instructional support	428,257
Student services	367,142
College support	862,904
Plant operations and maintenance	134,173
Financial aid	58,109
Depreciation	30,263
Total operating expenses	<u>2,747,713</u>
Operating income(loss)	<u>(1,892,892)</u>
Nonoperating revenues(expenses)	
State community college support	1,027,794
State timber tax	3,483
Property taxes	733,243
County timber tax	263,541
Investment income	39,405
Miscellaneous income	26,035
Total nonoperating revenues(expenses)	<u>2,093,501</u>
Change in net assets	200,609
Net assets - July 1, 2004	<u>2,355,187</u>
Net assets - June 30, 2005	<u><u>\$ 2,555,796</u></u>

The notes to the financial statements are an integral part of this statement.

# TILLAMOOK BAY COMMUNITY COLLEGE

## Statement of Cash Flows For the year ended June 30, 2005

Cash flows from operating activities:	
Tuition and fees	\$ 501,704
Grants and contracts	325,976
Sales of goods and services	100,799
Other cash receipts	17,522
Payments to employees for services	(1,888,207)
Payments to suppliers for goods and services	(742,143)
Payments for student scholarships and grants	<u>(58,109)</u>
Net cash used in operating activities	<u>(1,742,458)</u>
Cash flows from noncapital financing activities:	
Proceeds from pension bonds	1,695,000
Payment of pension bond proceeds to PERS	(1,658,161)
Pension bond issuance costs	(35,939)
Cash received from State community college support	1,027,794
Cash received from property taxes and timber taxes	983,560
Other cash receipts	<u>26,035</u>
Net cash provided by noncapital financing activities	<u>2,038,289</u>
Cash flows from capital and related financing activities:	
Acquisition of capital assets	<u>(172,507)</u>
Cash flows from investing activities:	
Interest on investments	<u>39,405</u>
Net increase in cash and cash equivalents	162,729
Cash and cash equivalents - July 1, 2004	<u>1,544,192</u>
Cash and cash equivalents - June 30, 2005	<u><u>1,706,921</u></u>
Reconciliation of operating income(loss) to net cash used in operating activities:	
Operating income(loss)	\$ (1,892,892)
Adjustments to reconcile operating income(loss) to net cash used in operating activities:	
Depreciation	30,263
Decrease(increase) in:	
Accounts receivable	53,351
Due from college staff	70
Grants receivable	45,216
Inventories	3,149
Prepaid expenses	1,600
Increase(decrease) in:	
Accounts payable	2,009
Payroll payable	(4,787)
Compensated absences payable	26,375
Scholarship payable	(468)
Due to student organizations	575
Unearned revenue	<u>(6,919)</u>
Total adjustments	<u>150,434</u>
Net cash used in operating activities	<u><u>(1,742,458)</u></u>

The notes to the financial statements are an integral part of this statement.

TILLAMOOK BAY COMMUNITY COLLEGE  
Notes to Basic Financial Statements  
June 30, 2005

1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of Tillamook Bay Community College have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as prescribed by the Governmental Accounting Standards Board (GASB), including GASB Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*, and GASB Statement No. 35, *Basic Financial Statements – and Management's Discussion and Analysis – for Public Colleges and Universities*. The College follows the "business-type activities" reporting requirements of GASB Statement Nos. 34 and 35.

Reporting Entity

Tillamook Bay Community College (the College) was formed on March 31, 1981, in accordance with Oregon Revised Statutes Chapter 341. The College is governed by a seven member Board of Education whose members are elected independently.

The financial statements of the College include all accounts of the College. The Board of Education is not financially accountable for any other entity that is significant to the College's financial statements. Financial accountability is determined in accordance with criteria set forth in GAAP, primarily on the basis of authority to appoint a voting majority of an organization's governing board, ability to impose its will on that organization, the potential for that organization to provide specific financial benefits or impose specific financial burdens and that organization's fiscal dependency.

Measurement Focus and Basis of Accounting

The basic financial statements are reported using the economic resources measurement focus and accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Property taxes are recognized as revenues in the years in which they are levied. Grants and other similar types of revenue are recognized as soon as all eligibility requirements imposed by the grantor have been met.

The College applies all applicable Governmental Accounting Standards Board (GASB) pronouncements and all applicable Financial Accounting Standards Board (FASB) statements and interpretations, Accounting Principles Board (APB) opinions and Accounting Research Bulletins (ARB) issued on or before November 30, 1989, unless they conflict with or contradict GASB pronouncements.

Operating revenues and expenses are distinguished from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with an entity's ongoing operations. The principal operating revenues of the College are charges to students for tuition and fees, grants and contracts for specific operating activities of the College and sales of goods and services. Operating expenses include the cost of faculty, administration and support expenses, bookstore operations, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Use of Estimates

The preparation of financial statements in accordance with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

TILLAMOOK BAY COMMUNITY COLLEGE  
Notes to Basic Financial Statements  
June 30, 2005

1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments

Investments are carried at fair value. The College invests in the Oregon Local Government Investment Pool. This investment is authorized by Oregon Revised Statutes. For purposes of the statement of cash flows; cash, demand deposits, the Oregon Local Government Investment Pool and short-term investments purchased with original maturities of three months or less are considered to be cash and cash equivalents.

The College is required by Oregon law to insure its deposits with financial institutions through Federal depository insurance funds coverage or participation in institution collateral pools that insure public deposits. Amounts at the Oregon Local Government Investment Pool are exempt from such requirements.

Property Taxes Receivable

Ad valorem property taxes are levied on all taxable property as of July 1. Property taxes become an enforceable lien on that date for real property and personal property. Collection dates are November 15, February 15 and May 15. Discounts are allowed if amounts due are received by November 15. Taxes unpaid and outstanding on May 16 are considered delinquent. Uncollected taxes are deemed to be substantially collectible or recoverable through liens; therefore, no allowance for uncollectible taxes has been established. Property taxes receivable are recognized as revenues when levied.

Accounts/Grants Receivable

Student accounts receivable are recorded as tuition and fees as assessed. Student accounts receivable which are for summer term classes are offset by unearned revenue due to not being earned in the current year.

Unreimbursed grant expenditures due from grantor agencies are recorded in the financial statements as receivables and revenues. Cash received from grantor agencies in excess of related grant expenditures is recorded as unearned revenue.

Inventories

Inventories, primarily books and supplies, are valued at the lower of cost (first-in/first-out method) or market.

Capital Assets

Capital assets include land, buildings and improvements, equipment, and library books. The College's capitalization threshold is \$5,000 for all capital assets except for library books. Library books are capitalized regardless of cost. Donated assets are recorded at their fair market value on the date donated. Major outlays for capital assets and improvements are capitalized as projects are constructed. The cost of normal maintenance and repairs that do not add value or functionality to the asset are not capitalized, but are expensed as incurred.

Capital assets are depreciated using the straight line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings and improvements	50
Library books	10
Equipment	5 to 10

TILLAMOOK BAY COMMUNITY COLLEGE  
Notes to Basic Financial Statements  
June 30, 2005

1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Compensated Absences

Employees of the College are permitted to accumulate earned but unused vacation and sick pay. Vacation pay is recorded as a liability and an expense when earned. A liability does not exist for unpaid accumulated sick leave since College policy does not allow payment upon separation of service.

Leases

Leases which meet certain criteria established by the Financial Accounting Standards Board are classified as capital leases. Leases which do not meet criteria of a capital lease are classified as operating leases.

Retirement Plan

All eligible employees are participants in the Oregon Public Employees Retirement System (PERS). Contributions to PERS are made on a current basis as required by the plan and charged to expense as funded.

Restricted Net Assets

Restricted net assets reported in the Statement of Net Assets represent amounts for which constraints were imposed by creditors, grantors, contributors or laws or regulations.

2 – CASH AND INVESTMENTS

Cash and investments are comprised of the following at June 30, 2005:

Cash on hand	\$ 450
Cash with County Treasurer	8,883
Deposits with financial institutions	121,536
Investments	<u>1,576,052</u>
Total cash and investments	<u><u>\$ 1,706,921</u></u>

Deposits with Financial Institutions

Deposits with financial institutions are bank demand deposits. The total bank balance, as shown on the bank's records at June 30, 2005, is \$152,888. Of these deposits, \$100,000 was covered by federal depository insurance, and \$52,888 was collateralized to the extent required by state law. Oregon laws require municipal corporations to obtain certificates of participation issued by a pool manager for amounts on deposit in excess of federal depository insurance, and the College held a \$500,000 certificate at June 30, 2005. Oregon Revised Statutes require the depository institution to maintain on deposit with a custodian bank collateral pool securities having a value of not less than 25% of the outstanding certificates of participation issued by the pool manager. Deposits in excess of federal depository insurance, even to the extent collateralized by certificates of participation, are considered uncollateralized by GASB Statement No. 40.

TILLAMOOK BAY COMMUNITY COLLEGE  
Notes to Basic Financial Statements  
June 30, 2005

2 – CASH AND INVESTMENTS (Continued)

Deposits with Financial Institutions (Continued)

Custodial credit risk for deposits is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The College does not have a policy for deposits custodial credit risk. As of June 30, 2005, \$52,888 of the College's bank balance of \$152,888 was exposed to custodial credit risk as follows:

Uninsured and uncollateralized	\$ 39,666
Uninsured and collateral held by pledging bank's collateral custodian but not in the College's name	<u>13,222</u>
Total	<u><u>\$ 52,888</u></u>

Investments

State statutes authorize the College to invest in general obligations of the U.S. Government and its agencies, certain bonded obligations of Oregon municipalities, bank repurchase agreements, bankers' acceptances, commercial paper and the Oregon Local Government Investment Pool, among others. The College has no investment policy that would further limit its investment choices.

At June 30, 2005, the College's investments consisted of:

Investment in Oregon Local Government Investment Pool	\$1,574,876
Other	<u>1,176</u>
Total Investments	<u><u>\$1,576,052</u></u>

The Oregon Local Government Investment Pool is an open-ended, no-load diversified portfolio pool. The fair value of the College's position in the pool is substantially the same as the value of the College's participant balance. The College's investment in the Oregon Local Government Pool is approximately 99.9% of total investments.

The Oregon Local Government Investment Pool is an external investment pool which is part of the Oregon Short-Term Fund. Investment policies are governed by the Oregon Revised Statutes and the Oregon Investment Council (Council). The State Treasurer is the investment officer for the Council. Investments are further governed by portfolio guidelines issued by the Oregon Short-Term Fund Board. The Oregon Short-Term Fund does not receive credit quality ratings from nationally recognized statistical rating organizations.

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Oregon Short-Term Fund manages this risk by limiting the maturity of the investments held by the fund. Weighted average maturities of the investments in the Oregon Short-Term Fund at June 30, 2005 were: 82% mature within 93 days, 12% mature from 94 days to one year, and 6% mature from one to three years.

TILLAMOOK BAY COMMUNITY COLLEGE  
Notes to Basic Financial Statements  
June 30, 2005

3 – CAPITAL ASSETS

Capital assets activity for the year ended June 30, 2005 was as follows:

	Balance July 1, 2004	Increases	Decreases	Balance June 30, 2005
Capital assets not being depreciated:				
Land	\$ 114,643	\$ -	\$ -	\$ 114,643
Capital assets being depreciated:				
Buildings and improvements	945,896	-	-	945,896
Equipment	45,621	158,108	-	203,729
Library collection	17,792	17,823	-	35,615
Total capital assets being depreciated	1,009,309	175,931	-	1,185,240
Less accumulated depreciation for:				
Buildings and improvements	266,132	23,353	-	289,485
Equipment	25,385	3,348	-	28,733
Library collection	2,471	3,562	-	6,033
Total accumulated depreciation	293,988	30,263	-	324,251
Total capital assets being depreciated, net	715,321	145,668	-	860,989
Total capital assets, net	\$ 829,964	\$ 145,668	\$ -	\$ 975,632

4 – LONG-TERM OBLIGATIONS

Changes in long-term obligations for the year ended June 30, 2005 are as follows:

	Balance July 1, 2004	Additions	Deletions	Balance June 30, 2005	Due within One Year	Interest Matured and Paid
Pension bonds payable	\$ -	\$ 1,695,000	\$ -	\$ 1,695,000	\$ -	\$ -

Bonds Payable

In June 2005, the College issued \$1,695,000 of Limited Tax Pension Obligation Bonds and transferred the net proceeds to the State of Oregon Public Employees Retirement System to payoff the College's share of the cost sharing plan's unfunded actuarial liability. The resulting pension asset will be used to pay a portion of the College's annual required contribution. Principal payments are due beginning in June 2007 and annually beginning in June 2009 through June 30, 2028. Interest is payable in December and June of each year with rates ranging from 4.643% to 4.831%.

TILLAMOOK BAY COMMUNITY COLLEGE  
Notes to Basic Financial Statements  
June 30, 2005

4 – LONG-TERM OBLIGATIONS (Continued)

Future bonded debt requirements for the Series 2005 bond issue are as follows:

	Principal	Interest	Total
2005-06	\$ -	\$ 81,272	\$ 81,272
2006-07	25,000	80,823	105,823
2007-08	-	79,663	79,663
2008-09	5,000	79,663	84,663
2009-10	10,000	79,430	89,430
2010-11	20,000	78,966	98,966
2011-12	25,000	78,037	103,037
2012-13	30,000	76,877	106,877
2013-14	40,000	75,484	115,484
2014-15	45,000	73,627	118,627
2015-16	55,000	71,537	126,537
2016-17	65,000	68,984	133,984
2017-18	70,000	65,966	135,966
2018-19	80,000	62,716	142,716
2019-20	95,000	59,001	154,001
2020-21	105,000	54,590	159,590
2021-22	120,000	49,518	169,518
2022-23	130,000	43,721	173,721
2023-24	145,000	37,440	182,440
2024-25	165,000	30,435	195,435
2025-26	180,000	22,464	202,464
2026-27	200,000	13,768	213,768
2027-28	85,000	4,106	89,106
	<u>\$ 1,695,000</u>	<u>\$ 1,368,088</u>	<u>\$ 3,063,088</u>

5 – RETIREMENT PLAN

Plan Description

The College participates in the State of Oregon Public Employees Retirement System (PERS), a cost-sharing multiple-employer pension plan which provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. The system is a statewide defined benefit retirement plan for units of state government, community colleges, school districts, and political subdivisions. PERS is administered under Oregon Revised Statutes Chapter 238 and Chapter 238A by the Public Employees Retirement Board. Participation by state government units, community colleges, and school districts is mandatory. Participation by most political subdivisions is optional but irrevocable if elected. A stand-alone financial report is not available for the College. However, the State of Oregon Public Employees Retirement System issues a publicly available financial report that includes financial statements and supplementary information. That report may be obtained by writing to PERS, PO Box 23700, Tigard, Oregon 97281-3700 or by calling (503) 598-7377.



TILLAMOOK BAY COMMUNITY COLLEGE  
Notes to Basic Financial Statements  
June 30, 2005

5 – RETIREMENT PLAN (Continued)

Funding Policy

PERS members are required to contribute 6% of their annual covered salary. The Oregon Supreme Court has ruled that the College may pay the members' required contribution. The College started paying the 6% member contribution in November 1996. The College is required to contribute an actuarially determined rate. The rate through June 2005 was 10.24% of annual covered payroll for member employees of the State and Local Government Rate Pool. The current rate is 8.04% of annual covered payroll for member employees of the Oregon Public Service Retirement Plan. The contribution requirements of plan members and the College are established and may be amended by the Public Employees Retirement Board. The College's contributions to PERS for the years ended June 30, 2005, 2004, and 2003 were \$109,633, \$104,084 and \$134,294, respectively, equal to the required contributions each year.

Pension Asset

The pension asset is the result of the transfer of the College's pension bond proceeds to PERS to cover the College's share of the cost sharing plan's unfunded actuarial liability. This pension asset will be used to pay a portion of the College's annual required contribution. During the 2004-05 fiscal year, changes in the pension asset were as follows:

Asset balance - July 1, 2004	\$ -
Net pension bond proceeds transferred to PERS	<u>1,658,161</u>
Asset balance - June 30, 2005	<u><u>\$1,658,161</u></u>

6 – OPERATING LEASES

The College has entered into a number of operating leases, primarily for classroom and office space. The primary lease, for \$26,309 per year, contains a financial setback cancellation provision. Estimated future minimum lease payments total \$32,559 for the 2005-06 fiscal year.

7 – RISK MANAGEMENT

The College is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The College is a member of Special District Insurance Services (SDIS) and pays an annual premium to SDIS for its property, crime, commercial general liability, automobile liability and physical damage, and other coverages. SDIS is to be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of certain limits.

The College also carries workers' compensation coverage through City/County Insurance Services Trust. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three years.

8 – CONTINGENCIES AND COMMITMENTS

Grants receivable and grant receipts are subject to adjustment by grantor agencies, principally the Federal Government. Any disallowed claims, including claims already collected, could become a liability to the College.

TILLAMOOK BAY COMMUNITY COLLEGE  
Notes to Basic Financial Statements  
June 30, 2005

8 – CONTINGENCIES AND COMMITMENTS (Continued)

The College is involved in various legal proceedings. Management believes that any losses arising from these actions will not materially affect the College's financial position.

During FY 2005, the College entered into a contract to purchase and implement a new administrative information system. Contract payments are due over a period of 10 months. The College is obligated to pay \$99,445 of the contract between July 1, 2005 and January 1, 2006. In addition, the College is obligated to pay up to \$40,474 in travel expenses related to training employees to use the new system during the 2005-06 fiscal year. The College is also obligated to acquire computer hardware for the new system at a cost of \$25,405.

9 – BUDGET

The College budgets all College funds required to be budgeted in accordance with the Oregon Local Budget Law on a Non GAAP budgetary basis. The College follows these procedures in establishing its budget:

1. In the spring of each year, the Dean of Administrative Services of the College, acting as Budget Officer, submits a proposed budget to the budget committee which consists of the Board of Education and an equal number of concerned citizens of the community. Estimated revenues and expenditures are budgeted by fund and department cost centers.
2. The budget committee conducts public hearings for the purpose of obtaining taxpayer comments.
3. The budget committee approves a balanced budget to submit to the Board of Education. The estimated expenditures for each fund may not be increased by more than 10 percent by the Board and ad valorem taxes for all funds may not exceed the amount shown in the budget document unless the Board republishes the budget and holds additional public hearings.
4. The Board legally adopts the budget before July 1 through a Board resolution. The resolution authorizing appropriations for each fund set the level by which expenditures cannot legally exceed appropriations. The level of control established by the resolution for each fund is at the major expense function level (i.e. Instruction, Student Services, etc.). Appropriations lapse at year end.
5. The Board may change the budget throughout the year by appropriation transfers between levels of control and supplemental budgets as authorized by Oregon Revised Statutes. During the fiscal year ended June 30, 2005, the Board adopted a supplemental budget and approved transfer resolutions as allowed by state law.

During the 2004-05 fiscal year, the College had no instances whereby expenditures were in excess of related appropriations.

The Enterprise Fund has a deficit balance of \$6,888 as of June 30, 2005. The fund did not receive anticipated revenues from tuition and fees.

10 – SUBSEQUENT EVENTS

In July 2005, the College entered into a \$65,562 contract to purchase and implement a new VOIP (voice over internet protocol) telephone system. The contract provides for hardware and software for the system, telephones, and implementation services. The phone system required new wiring that was installed at an additional cost of \$9,028.

## **OTHER SUPPLEMENTARY INFORMATION**

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## **OTHER SUPPLEMENTARY INFORMATION**

### **Description of Budgeted College Funds**

Other supplementary information consists of schedules required by the Minimum Standards for Audits of Oregon Municipal Corporations, prescribed by the Oregon Secretary of State. Schedules of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual are presented on a Non GAAP budgetary basis for each College fund required to be budgeted in accordance with the Oregon Local Budget Law, and for the Agency Fund.

Budgeted College funds are as follows:

General Fund - Accounts for all resources traditionally associated with operating the College which are not required legally or by sound financial management to be accounted for in another fund.

Special Revenue Fund - Accounts for proceeds of specific revenue sources restricted for particular educational and related support programs.

Building Reserve Fund - Accounts for financial resources to be used for the acquisition or construction of major capital facilities.

Debt Service Fund - Accounts for proceeds from Limited Tax Pension Obligation Bonds issued during the year and the payment to PERS of the College's share of the cost sharing plan's unfunded actuarial liability.

Enterprise Fund - Accounts for the operation of the College's bookstore.

Agency Fund - Accounts for assets held by the College as an agency for the student government, student honorary society and college staff.

**TILLAMOOK BAY COMMUNITY COLLEGE**

**Schedule of Revenues, Expenditures and Changes in  
Fund Balance - Budget and Actual  
GENERAL FUND  
Year Ended June 30, 2005**

	Budget		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
State sources	\$ 1,031,603	\$ 1,031,603	\$ 1,031,277	\$ (326)
Local sources				
Property taxes, current year	680,000	680,000	701,493	21,493
Property taxes, prior years	40,000	40,000	40,066	66
Tuition and fees	354,938	354,938	419,035	64,097
Other resources	27,100	27,100	67,182	40,082
	<u>2,133,641</u>	<u>2,133,641</u>	<u>2,259,053</u>	<u>125,412</u>
Total revenues				
<b>EXPENDITURES:</b>				
Instruction	827,553	827,553	668,747	158,806
Instructional support	338,531	338,531	318,584	19,947
Student services	268,620	268,620	263,009	5,611
College support	846,095	846,095	842,567	3,528
Plant operations and maintenance	693,470	693,470	281,232	412,238
Financial aid	84,732	84,732	58,109	26,623
Contingency	350,000	350,000	-	350,000
	<u>3,409,001</u>	<u>3,409,001</u>	<u>2,432,248</u>	<u>976,753</u>
Total expenditures				
Revenues over (under) expenditures	<u>(1,275,360)</u>	<u>(1,275,360)</u>	<u>(173,195)</u>	<u>1,102,165</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	120,000	120,000	120,000	-
Transfers out	<u>(11,180)</u>	<u>(11,180)</u>	<u>(5,000)</u>	<u>6,180</u>
Total other financing sources (uses)	<u>108,820</u>	<u>108,820</u>	<u>115,000</u>	<u>6,180</u>
Revenues and other sources over (under) expenditures and other uses	<u>(1,166,540)</u>	<u>(1,166,540)</u>	<u>(58,195)</u>	<u>1,108,345</u>
<b>FUND BALANCE, BEGINNING</b>	<u>1,166,540</u>	<u>1,166,540</u>	<u>1,098,625</u>	<u>(67,915)</u>
<b>FUND BALANCE, ENDING</b>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 1,040,430</u></u>	<u><u>\$ 1,040,430</u></u>

**TILLAMOOK BAY COMMUNITY COLLEGE**

**Schedule of Revenues, Expenditures and Changes in  
Fund Balance - Budget and Actual  
SPECIAL REVENUE FUND  
Year Ended June 30, 2005**

	Budget		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Federal sources	\$ 127,233	\$ 127,233	\$ 111,656	\$ (15,577)
State sources	41,332	41,332	29,323	(12,009)
Tuition and fees	12,500	12,500	7,780	(4,720)
Local sources	137,700	137,700	137,871	171
Other resources	4,616	4,616	5,724	1,108
	<u>323,381</u>	<u>323,381</u>	<u>292,354</u>	<u>(31,027)</u>
<b>EXPENDITURES:</b>				
Instruction	186,001	145,546	137,116	8,430
Instructional support	129,823	170,278	124,606	45,672
Student services	7,062	7,062	2,891	4,171
College support	6,894	6,894	2,568	4,326
Plant operations and maintenance	13,107	13,107	9,815	3,292
	<u>342,887</u>	<u>342,887</u>	<u>276,996</u>	<u>65,891</u>
Revenues over (under) expenditures	<u>(19,506)</u>	<u>(19,506)</u>	<u>15,358</u>	<u>34,864</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Loan repayment to other fund	(43,050)	(43,050)	-	43,050
Transfers in	6,180	6,180	-	(6,180)
	<u>(36,870)</u>	<u>(36,870)</u>	<u>-</u>	<u>36,870</u>
Revenues and other sources over (under) expenditures and other uses	<u>(56,376)</u>	<u>(56,376)</u>	<u>15,358</u>	<u>71,734</u>
<b>FUND BALANCE, BEGINNING</b>	<u>67,390</u>	<u>67,390</u>	<u>74,482</u>	<u>7,092</u>
<b>FUND BALANCE, ENDING</b>	<u><u>\$ 11,014</u></u>	<u><u>\$ 11,014</u></u>	<u><u>\$ 89,840</u></u>	<u><u>\$ 78,826</u></u>

\* Beginning Fund Balance has been reduced by \$3,107 for programs transferred to other funds.

**TILLAMOOK BAY COMMUNITY COLLEGE**

**Schedule of Revenues, Expenditures and Changes in  
Fund Balance - Budget and Actual  
BUILDING RESERVE FUND  
Year Ended June 30, 2005**

	Budget		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Local sources				
County timber taxes	\$ 160,000	\$ 160,000	\$ 263,541	\$ 103,541
Other resources	6,325	6,325	8,274	1,949
Total revenues	166,325	166,325	271,815	105,490
<b>EXPENDITURES:</b>				
Reserve for future expenditures	399,364	399,364	-	399,364
Revenues over (under) expenditures	(233,039)	(233,039)	271,815	504,854
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers out	(120,000)	(120,000)	(120,000)	-
Revenues and other sources over (under) expenditures and other uses	(353,039)	(353,039)	151,815	504,854
<b>FUND BALANCE, BEGINNING</b>	353,039	353,039	351,254	(1,785)
<b>FUND BALANCE, ENDING</b>	\$ -	\$ -	\$ 503,069	\$ 503,069



**TILLAMOOK BAY COMMUNITY COLLEGE**

**Schedule of Revenues, Expenditures and Changes in  
Fund Balance - Budget and Actual  
DEBT SERVICE FUND  
Year Ended June 30, 2005**

	<u>Budget</u>		<u>Actual</u>	Variance With Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<b>REVENUES:</b>				
Other resources	\$ -	\$ -	\$ 276	\$ 276
<b>EXPENDITURES:</b>				
College support	-	1,695,000	1,694,100	900
Revenues over (under) expenditures	-	(1,695,000)	(1,693,824)	1,176
<b>OTHER FINANCING SOURCES (USES):</b>				
Bond proceeds	-	1,695,000	1,695,000	-
Revenues and other sources over (under) expenditures and other uses	-	-	1,176	1,176
<b>FUND BALANCE, BEGINNING</b>	-	-	-	-
<b>FUND BALANCE, ENDING</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,176</u>	<u>\$ 1,176</u>

**TILLAMOOK BAY COMMUNITY COLLEGE**

**Schedule of Revenues, Expenditures and Changes in  
Fund Balance - Budget and Actual  
ENTERPRISE FUND  
Year Ended June 30, 2005**

	Budget		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Tuition and fees	\$ 107,210	\$ 107,210	\$ 28,734	\$ (78,476)
Local sources	-	-	5,057	5,057
Other resources	116,000	116,000	99,349	(16,651)
	<u>223,210</u>	<u>223,210</u>	<u>133,140</u>	<u>(90,070)</u>
Total revenues				
<b>EXPENDITURES:</b>				
Instruction	101,592	101,592	58,817	42,775
Student services	116,860	116,860	93,047	23,813
	<u>218,452</u>	<u>218,452</u>	<u>151,864</u>	<u>66,588</u>
Total expenditures				
Revenues over (under) expenditures	4,758	4,758	(18,724)	(23,482)
<b>FUND BALANCE, BEGINNING</b>	<u>32,091</u>	<u>32,091</u>	<u>11,836</u>	<u>* (20,255)</u>
<b>FUND BALANCE, ENDING</b>	<u><u>\$ 36,849</u></u>	<u><u>\$ 36,849</u></u>	<u><u>\$ (6,888)</u></u>	<u><u>\$ (43,737)</u></u>

\* Beginning Fund Balance has been increased by \$3,107 for programs transferred from other funds.

**TILLAMOOK BAY COMMUNITY COLLEGE**

**Schedule of Revenues, Expenditures and Changes in  
Due to Others - Budget and Actual  
AGENCY FUND  
Year Ended June 30, 2005**

	Budget		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Local sources	\$ 5,575	\$ 5,575	\$ 2,403	\$ (3,172)
<b>EXPENDITURES:</b>				
Student services	10,000	10,000	6,758	3,242
College support	675	675	-	675
Total expenditures	10,675	10,675	6,758	3,917
Revenues over (under) expenditures	(5,100)	(5,100)	(4,355)	745
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	5,000	5,000	5,000	-
Revenues and other sources over (under) expenditures and other uses	(100)	(100)	645	745
<b>DUE TO OTHERS, BEGINNING</b>	100	100	509	409
<b>DUE TO OTHERS, ENDING</b>	\$ -	\$ -	\$ 1,154	\$ 1,154

**TILLAMOOK BAY COMMUNITY COLLEGE**

**Schedule of Property Tax Transactions  
Year Ended June 30, 2005**

<u>Fiscal Year Ended</u>	<u>Uncollected Balances July 1, 2004</u>	<u>Add Taxes Levied</u>	<u>Discounts Allowed</u>	<u>Adjustments</u>	<u>Collections</u>	<u>Uncollected Balances June 30, 2005</u>
Current						
2004-05	\$ -	\$ 744,178	\$ 17,634	\$ (941)	\$ 698,130	\$ 27,473
Prior years						
2003-04	32,480	-	-	(423)	19,681	12,376
2002-03	14,347	-	-	(222)	8,059	6,066
2001-02	7,317	-	-	(73)	5,002	2,242
2000-01	2,840	-	-	(55)	2,221	564
1999-00	435	-	-	(53)	195	187
1998-99	144	-	-	(29)	47	68
and prior	481	-	-	(14)	101	366
<b>TOTALS</b>	<u>\$ 58,044</u>	<u>\$ 744,178</u>	<u>\$ 17,634</u>	<u>\$ (1,810)</u>	<u>\$ 733,436</u>	<u>\$ 49,342</u>

**NOTE**

2004-2005 assessed valuation \$2,849,424,305  
Billing rate per thousand dollars of assessed value \$ .2636

## **INDEPENDENT AUDITOR'S COMMENTS**

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## INDEPENDENT AUDITOR'S COMMENTS

### Internal Control

We have audited the financial statements of Tillamook Bay Community College as of and for the year ended June 30, 2005, and have issued our report thereon dated November 10, 2005. We conducted our audit in accordance with auditing standards generally accepted in the United States of America.

In planning and performing our audit, we considered Tillamook Bay Community College's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

### Other Comments and Disclosures

In connection with our audit, nothing came to our attention that caused us to believe the College was not substantially in compliance with:

- ORS Chapter 295 regarding collateral securing depository balances,
- ORS 294.035 regarding the investment of surplus public funds,
- the legal requirements relating to debt,
- ORS 294.305 to 294.565 in the preparation and adoption of its budget for the fiscal years ending June 30, 2005 and June 30, 2006, and the execution of its budget for the fiscal year ended June 30, 2005,
- ORS Chapter 279 in the awarding of public contracts and the construction of public improvements,
- the appropriate laws, rules and regulations pertaining to programs funded wholly or partially by other governmental agencies.

However, it should be noted that our audit was not directed primarily toward obtaining knowledge of noncompliance with such requirements.

Additionally, we make the following comments:

- The accounting records are generally adequate for the needs of the College.
- We have reviewed the College's insurance and fidelity bond coverage for compliance with legal requirements. Since we are not experts in insurance matters, we make no representation as to the adequacy of such coverage.

#### COMMENDATION

The courteous assistance and cooperation extended to us by employees and officials of the College during the course of the audit are sincerely appreciated.



## Discussion with Commissioner Preus-Braly

### **RECOMMENDATION**

For information only – no action requested

### **BACKGROUND INFORMATION**----- **President Orr**

- The attached Policy Review, created and distributed by the State Board of Education, was introduced at the November Board Meeting. Commissioner Cam Preus-Braly will be in attendance at the meeting to provide more information and lead a discussion on the topics and issues it addresses.
- Also attached are two State Board of Education agenda items which the Commissioner may wish discuss.
  1. The first regarding enrollment growth could impact our funding in the future if it changes the enrollment component of the funding formula. President Orr is participating on a committee advising the Commissioner as she formulates a recommendation for the State Board.
  2. The second is the strategic fund which was the topic of our last Board Meeting visit with Commissioner Preus-Braly. The appeal for supplemental funding from the strategic reserve fund to help TBCC recover from the legislative change eliminating funding for certain types of community education courses is pending. The college has requested \$228,581 for 2005-2006 and \$470,606 for 2006-2007; a total of \$699,187 of the potentially available \$1,070,286 – approximately 65%.



**Tillamook Bay Community College**

2510 First Street • Tillamook, Oregon 97141 • (503) 842-8222 • Fax: (503) 842-2214 • [www.TillamookBay.cc](http://www.TillamookBay.cc)



## OREGON STATE BOARD OF EDUCATION

255 Capitol St. NE; Salem, Oregon 97310-1300

503-378-3600x4421; [www.ode.state.or.us](http://www.ode.state.or.us)

Susan Castillo  
State Superintendent  
of Public Instruction

October 7, 2005

Cam Preus-Braly,  
Commissioner,  
Community Colleges and  
Workforce Development

Dear Community College Presidents and Community College Board Members:

### *Members*

Nikki Squire, Chair

Jerry Berger

Steve Bogart

Brenda Frank

Vanessa Gaston

Emilio Hernandez, Jr.

Duncan Wyse

This fall the Commissioner and State Board Members begin their annual visits to all seventeen community college campuses. Discussion with each local board will focus on the State Board of Education's recently adopted policy paper, *Alignment and Adequacy of Oregon's Education Standards, Requirements, and Assessments Within K-12, Between K-12 and Postsecondary Level*. The policy paper reflects on the past, present, and future of Oregon's high school credentials.

In order for students to emerge from high school better prepared for college and careers, the State Board of Education is reviewing Oregon's graduation and diploma requirements, to be completed by fall 2006. The board is eager to get feedback from local college boards, business, and the community to its plan through a five-question survey.

### *Advisors*

Doug Dougherty,  
Seaside SD

Frank Toda,  
Columbia Gorge  
Community College

Roger Will,  
Century High School

Staff  
Jan McComb,  
Executive Officer

Kurt Tackman,  
Executive Support

Paul Merritt  
Executive Support

1. What knowledge and skills do all Oregon students need in order to be successful in the 21st Century?
2. What should be included in Oregon's high school graduation requirements? What can we do to improve high school credentials (diploma, honors diploma CIM, CAM, GED, other)?
3. How do we improve Oregon's standards and assessments?
4. How can you or your organization contribute to the success of this initiative? What do you see as your role?
5. After reading this paper, what other comments do you have?

We look forward to engaging you on these five questions in the near

future. Responses can also be made directly to the Oregon Department of Education web page, <http://www.ode.state.or.us/search/results/?id=144> or send an e-mail to [Jan.Mccomb@state.or.us](mailto:Jan.Mccomb@state.or.us).

Sincerely,

Nikki Squire, Chair  
State Board of Education

Cam Preus-Braly  
Community College Commissioner

OREGON STATE BOARD OF EDUCATION  
NOTICE OF POLICY REVIEW  
AND REQUEST FOR COMMENTS

Regarding:

*Alignment and Adequacy of Oregon's Education Standards,  
Requirements and Assessments  
Within K-12, Between K-12 and Postsecondary Level*

Adopted at the State Board Meeting on September 16, 2005

Nikki Squire, Chair  
Jerry Berger  
Steve Bogart  
Brenda Frank  
Vanessa Gaston  
Emilio Hernandez  
Duncan Wyse

## CONTENTS

Request For Comments	. . . . .	1
Student Knowledge and Skills	. . . . .	4
High School Credentials	. . . . .	8
Content Standards and Assessments	. . . . .	15

## REQUEST FOR COMMENTS

The State Board of Education invites your participation in a review of Oregon's current academic content standards, curriculum requirements, credentialing requirements, and statewide student assessment system. These staples of K-12 policy and practice were shaped 14 years ago when Oregon passed the Education Act for the 21<sup>st</sup> Century. In this visionary legislation, state leaders directed the Board of Education to adopt high standards for all students and an assessment system to measure attainment of those standards. The standards not only addressed core academic content, they also set ambitious goals for learning in teams, problem solving, speaking, and interdisciplinary studies.

Today, those standards and assessments are in place in schools throughout Oregon. Despite their successes, including many featured in short stories throughout this document, Oregon cannot take anything for granted or lapse into complacency. The Board wants to take stock of Oregon's accomplishments and determine what adjustments in policy would improve student learning. The Board has already deliberated on these questions, and has reached some tentative findings. However, before embarking on specific policy changes, the Board would like to hear from Oregonians and Oregon institutions with a stake in K-12 education.

This public comment process is vitally important. While the Board's role is to determine desirable student knowledge and skills, learning standards, assessments, and credentials, the Board is mindful that local school districts are responsible for delivering education services. New policies and requirements must be feasible, even more so given constrained resources available to schools.

This notice is the first step in the comment process. Over the next several months the Board will seek a wide range of perspectives. The Board intends to hold community forums throughout the state with K-12 parents and students, school administrators and teachers, business and community leaders, community college and university educators, and interested citizens to learn what works in our current policies and what needs to be modified.

To begin the dialogue we invite any interested Oregonians or Oregon institutions to offer written comments on five broad questions stated here. Background and preliminary Board perspective on the first three questions are provided in the subsequent three sections of this Notice.

*By November 2006, the Board plans to adopt changes to high school graduation requirements and the state assessment system. Your participation will help ensure these changes improve the education delivered to our students*

### **1. What knowledge and skills do all Oregon students need in order to be successful in the 21<sup>st</sup> Century?**

The Board believes Oregon needs to set learning standards with the expectation that *all* students can master high levels of knowledge and skills that enable success in postsecondary education, employment, and life. That means every high school student graduating with a diploma should be "college ready." The skills and knowledge that make high school graduates ready for postsecondary education are also the same skills

and knowledge that make them ready for employment. The Board wants to reduce the achievement gap that now plagues many low-income and minority students. The Board also wants to afford K-12 students, particularly high school students, the opportunity to accelerate their learning should they have the capability and interest in doing so.

## **2. What should be included in high school diploma requirements?**

### **What can we do to improve Oregon's high school credentials (Diploma, Oregon Honors Diploma, CIM, CAM, GED, others)?**

The Board believes that the current high school diploma requirements need to be upgraded in light of the demanding academic standards we are challenging all students to meet. The Board believes that Oregon should have a set of credentials (and curriculum standards and assessments associated with those credentials) that are meaningful to post-secondary institutions, employers, and students themselves. The credential (or combination of credentials) should confirm that a student has met rigorous academic and career-related standards.

## **3. What can we do to improve Oregon's standards and assessments?**

The Board believes it is important to have common standards and assessments statewide that measure progress of students at all grade levels in core academic subjects. These standards and assessments should reliably inform Oregonians about the preparation of Oregon students for higher education, rewarding careers, citizenship, and life. The system should also be helpful to individual students as they make plans for postsecondary education and careers.

## **4. How can you or your organization contribute to the success of this initiative? What do you see as your role?**

## **5. After reading this paper, what other comments do you have?**

### **Let Us Hear From You**

We invite your responses to each of these questions. Please send your comments to [jan.mccomb@state.or.us](mailto:jan.mccomb@state.or.us) or mail them to State Board of Education, ATTN: Jan McComb, 255 Capitol Street NE, Salem, Oregon 97310. There is also a web survey with the five questions online at <http://www.ode.state.or.us/search/results/?id=144>.

The comments will be summarized and presented to the public and to the State Board of Education. *To be sure that your comments are included in the first round summary, please submit them by December 16, 2005.*

As noted above, this document features short stories that illustrate school and student successes in meeting Oregon's higher learning standards. These stories demonstrate that higher expectations of students, more rigorous curriculum, and relevant learning experiences outside the classroom are already making a difference for hundreds of students. They illustrate what is feasible, on a larger scale, in districts across Oregon, to realize the vision of the Oregon Education Act.

Although we have made many improvements in Oregon education over the past 14 years, the economy and life are demanding more of our students, and we know Oregon can do better. Tell us what you think of our proposed positions, what works now, what doesn't, and what we can improve.

**We look forward to hearing from you!**



## STUDENT KNOWLEDGE AND SKILLS

The purpose of this section is to share the Board's vision for student learning through the teenage years and our preliminary perspectives on how well current policies on curriculum, standards assessments and graduation requirements support that vision.

### Vision for Education Oregon's K-12 Education

The current framework for Oregon's education system is a product the Oregon Educational Act for the 21st Century, which passed in 1991 and then was updated in 1995 and again in 2001.

This legislation was based on two big ideas emerging at the time and still valid today:

**What knowledge and skills do all Oregon students need in order to be successful in the 21<sup>st</sup> Century?**

*A broader role for education in the economy.* Since the 1970s, sweeping changes in economic competition, technology, and the organization of work itself have called for higher levels of knowledge and skills in the workforce. To acquire and maintain these skills, policy leaders reasoned, Oregonians need more education than they have in the past. By the late 1980s, the economy demanded more skills and education of job seekers, and the fastest growing jobs were those that require more education. On the other hand, the pool of family wage jobs for those with just a high school education or less was rapidly drying up, leaving them mostly low-paying, low-skilled jobs.

*New standards-based designs for learning.* Oregon policy leaders concurred that learning standards in traditional academic subjects should be higher, should be uniform across the state, and that student attainment of these standards should be measurable through statewide assessments. They also agreed on several other aspects of pedagogy: schools and teachers must make the learning experience more engaging to students and relevant to the adult world where acquired knowledge and skills are ultimately applied. Some study should be interdisciplinary. Each student should have a personalized learning plan, spelling out long-term goals, intermediate steps, and milestones to measure progress.

This vision for learning was encapsulated through the creation of two certificates, the Certificate of Initial Mastery and the Certificate of Advanced Mastery. The CIM represents standards of knowledge and skill proficiencies that students can demonstrate in academic subjects through uniform statewide and local assessments. CIM proficiencies are benchmarked to the tenth grade level, but students have time to achieve them through the senior year. The CAM combines achievement of CIM proficiencies along with additional academic proficiencies and career-related proficiencies achieved through a variety of hands-on, real-world learning experiences that are sometimes called contextual or applied learning.

## Board Perspective on the Vision and System Design

The trends identified in the early 1990s have only accelerated with increased automation and the migration of low-skilled manufacturing jobs to nations with lower costs of labor. With economic competition reliant on intellectual capital and innovation, employers were coming to value not only specific occupational skills, but also a range of capabilities fostered by a broad education: higher levels of literacy in language and math, abstract reasoning, communication, critical thinking, problem solving, teamwork, and initiative.

Looking back over a decade and a half, the Board can see significant statewide progress under the Oregon Education Act. Higher content standards, expectations of student learning, and uniform assessments have been defined and put into place.

Oregon's elementary, middle and high schools have largely adopted the standards-based system, and periodic assessment is used to measure student, classroom, and school progress. We have seen considerable gains on test scores especially at early grade levels. Assessment data have helped shape instruction, and many students are learning at higher levels. The Nyssa School District (see box) provides one of many inspiring examples of improvement.

As we examine implementation challenges associated with our system of standards and assessments – and the associated credentials – we find that they have been received less favorably in high school than in grade school and middle school.

There are four reasons.

First, the requirements at the elementary and middle school mesh well with traditional academic subjects. While assessment demands have increased, the content itself is familiar to teachers. In high school, by contrast, new curriculum requirements were created through the Certificate of Advanced Mastery that are complex to implement. The standards for high school encourage all students to achieve at high academic levels *and* learn in a variety of applied contexts. A number of high schools have implemented this vision brilliantly. David Douglas (see box, next page) provides one of many examples. However, many others have struggled as they have attempted

to redesign their programs to meet the new standards.

Second, standards and assessments in high school are less connected with traditional academic course categories. For example, the tenth grade math assessment covers algebra, geometry, and statistics, subjects that high school students may or may not

### *Nyssa School District, Nyssa*

#### **High Expectations and Support Are Keys To Closing the Achievement Gap**

Six years ago, academic outcomes in the Nyssa School District mirrored the state trend: students of color, those from low-income families, and second-language learners achieved at levels well below their peers. With a high percentage of students from these groups, Nyssa focused on closing its achievement gap.

The effort has paid off. In 1999, 37 percent of Nyssa's Hispanic students met state standards in math compared to 53 percent among white students. Today the story is dramatically different. Math benchmark achievement among Hispanic students has risen to 60 percent, and achievement for all students has improved.

Nyssa began its journey to close the achievement gap by closely aligning curriculum with state standards and putting in place teaching practices that ensure standards are addressed. In that process it encouraged strong collaborative involvement by parents as well as school personnel.

As it raised the bar for achievement, the district also increased student support. For example, a weekly, district-wide tutorial hour gives students a chance to focus on weak skills, summer school helps migrant children maintain their academic progress, and staff has two hours of professional development time each week to assess student progress and improve learning outcomes. The result: Nyssa's vision for students is becoming reality – every child can succeed.

have covered by spring of sophomore year. High schools complain that testing in such cases is out of sequence with instruction.

Third, the new certificates were added on top of other assessments and credentials of interest to high school students – including the diploma itself as well as various honors credentials such as International Baccalaureate (IB) and Advanced Placement (AP) credits. High school students and teachers in some cases have complained about facing too many tests and requirements.

Finally, it isn't clear how the new certificates relate to and connect with college entry and work. The Oregon University System was highly innovative in creating the PASS system for college entry, which was designed to establish learning standards and an assessment system that connects with CIM and CAM standards. However, implementation has been slow, and the connections among CIM, CAM and PASS remain unclear to a great many people. Performance assessments related to certificate standards appear to have little or no bearing on university admissions and community college program placement.

What has become clear is that postsecondary education of some type is now imperative for virtually all students. Therefore, our vision for K-12 must now explicitly include preparing more of our students to aspire to, enter, and complete postsecondary education. Specifically, we must dramatically increase the share of students who complete a postsecondary program (certificate, AA, baccalaureate or higher) in the years following high school. To do that we must: 1) get more entering ninth graders to stay in high school, adopt postsecondary goals, and develop proficiencies up to standards required for the next level, 2) help all students reach rigorous standards of skill and knowledge by the time they are 18 years old, and 3) close the achievement and postsecondary preparation gap among low-income and minority students.

What is equally clear is that currently many students are not reaching those goals. Right now, only about 70 percent of our ninth graders obtain a high school diploma, and at least 40 percent of those who graduate are not prepared to meet the demands of postsecondary programs.\* Going to the next level, they typically struggle with

#### *David Douglas High School, Portland*

##### **Skills for Life Prove Worth in College**

In the early 1990s, half of David Douglas High School's graduates bypassed postsecondary education to seek jobs. Because formal education ended at twelfth grade for so many, David Douglas raised graduation requirements to ready students for life after high school. Ironically, what began as an effort to better prepare students for work, became a model for preparing them for college.

Among its changes, David Douglas increased credit requirements from 22 to 25, expected all students to master the same rigorous content, and required students to meet state benchmarks and earn a C or better to pass core classes. The school also created career-related learning experiences for all juniors and seniors, which helped students see the application of their academic skills and explore career options. David Douglas knew its efforts were bearing fruit when the share of students bound for college jumped from around 50 percent to 84 percent.

But students weren't just going to college, they were thriving there. Research at Oregon's public universities reveals that students who meet or exceed tenth grade benchmarks are more likely to earn a higher GPA in related college courses. The students of David Douglas are proof of that. Among 44 Portland-area high schools with at least 20 graduates going on to Oregon's public universities, nearly all saw their students average C's as college freshmen. David Douglas graduates averaged B's.

---

\* This could well be more than 50 percent. Less than a third of Oregon high school graduates receive a diploma with a CIM. Fewer than half of all tenth graders failed the most recent assessments in writing and math. Based on its extensive national assessment data, ACT, the assessment organization, recently reported "Most of America's high school students are not ready for either college or work." Nothing about Oregon suggests that it is doing better

frustration and often remediation, and many either take too long to complete their studies or they stop.

To prepare more students for postsecondary success, we must be certain that the standards, the assessments, and the curriculum content related to them are appropriate to the demands of colleges, apprenticeship programs, employers, and others as students move to the next stage. In that effort, we need our next-stage partners – postsecondary institutions and employers – to be involved in setting our requirements so those requirements are meaningful.

The Board believes that the basic vision of the Oregon Education Act is sound and that we need to make continuous improvements as we learn from implementation.

We want to make sure that we have set the right standards for learning and that the certificates and assessments work effectively, especially as the K-12 system connects with next step partners. The following two sections address specific issues surrounding standards, assessments and credentials, and address these questions in greater detail.

## **What knowledge and skills do all Oregon students need in order to be successful in the 21<sup>st</sup> Century?**

# HIGH SCHOOL CREDENTIALS

Oregon has a two-tier K-12 education credentialing system. The traditional path still in effect requires a student to acquire a certain number of credit hours in a minimum set of courses to receive a high school diploma. The student has the added option to qualify for a Certificate of Initial Mastery (CIM), a Certificate of Advanced Mastery (CAM), or both by demonstrating, through an assessment process, proficiencies in a set of academic subjects.

## **Current Requirements for a High School Diploma**

School districts must provide students an opportunity to earn a high school diploma. Oregon has required a student to pass a minimum of 22 credits to acquire a high school diploma. The 2005 Legislature directed the addition of two more credits, one each in math and English. The state sets a minimum of 130 instructional hours in a year to earn one credit, but it does not set a minimum grade point average to earn a credit. School districts establish their own pass-fail grade requirements, so it isn't clear how high or low the bar is in various school districts because that information is not collected centrally by the state. Theoretically, a student could receive a diploma with a 1.0 or D average.

Prior to the legislative direction to add one math and one English credit, this is how the credit requirements have broken down.

- English/language arts – 3 credits
- Mathematics – 2 credits
- Science – 2 credits
- Social sciences – 3 credits
- Applied or fine arts or second languages – 1 credit
- Physical education – 1 credit
- Health education – 1 credit
- Electives – (determined locally)

Individual school districts have the option to set higher diploma requirements, and students have the opportunity to take courses well beyond the minimum requirements for a diploma. Because they are aware that Oregon's minimum high school diploma credits fall short of admission standards at many colleges, school districts in many cases have set higher credit requirements for graduation. For freshman admission, for example, the Oregon University System requires three more units – one each in English, math, and a second language – than Oregon's recent minimum for high school graduation.

## **New Career-Related Learning Diploma Requirements**

During 2001-02 the Board added to the content credits specified above four Career-Related Learning Standards requirements for high school graduation starting in the 2006-07 school year. These requirements, which are also a requirement for a CAM, are fundamental skills essential for success in employment, college, family, and

**What should be included in the high school diploma requirements? What can we do to improve Oregon's high school credentials (diploma, Honors diploma, CIM, CAM, GED, others)?**

community life. Students demonstrate achievement of these requirements through integrated, interdisciplinary approaches and hands-on activities such as accomplishing a task or discovering a solution to a problem, in the classroom or another setting involving career-related learning experiences. To meet these requirements, each student must:

- *Develop an education plan and build an education profile.* This is a way for students to methodically identify personal, academic, and career interests and goals, to plan learning experiences that prepare students for steps after high school, and to track and document progress.
- *Demonstrate applied learning through a collection of evidence.* Students build a body of evidence in a variety of media or project products to demonstrate the application and acquisition of skills and knowledge related to their interests and post-high school goals.
- *Demonstrate career-related skills and knowledge.* These include capabilities in personal management, problem solving, communication, and teamwork, along with knowledge about the workplace and career planning and advancement.
- *Participate in career-related learning experiences.* This enables students to connect classroom learning with experiences in the workplace, in the community, or in school relevant to their interests and post-high school goals.

Because these diploma requirements apply to students graduating in the 2006-07 school year, school districts must have implementation under way beginning with tenth grade students in the 2004-05 school year.

These four requirements also apply to the Certificate of Advanced Mastery, which is described below. These new requirements reflect the Board's view that a student plan and profile, applied learning, and career-related learning are integral in helping students master academic subjects and explore options beyond high school. In the case of the high school diploma, school districts judge student work associated with the new requirements as they do with other diploma requirements. In the case of the CAM, proof of proficiency is required, and the state sets the standards for those proficiencies just as it does with the CIM.

### **CIM Requirements**

School districts must provide all students the opportunity to meet the performance standards required to earn a CIM. School districts award the CIM to students who qualify. Students have been earning the CIM since 1999. The CIM is not required by the state to graduate.

To earn a CIM, a student must meet performance standards in reading, writing, speaking, mathematics, and science through state tests and classroom work samples. Students may earn Subject Area Endorsements in addition to the CIM by meeting state standards in social sciences, the arts, second languages, physical education and/or health. School districts are not required to offer Subject Area Endorsements but are required to provide instruction in these content areas to meet diploma requirements.

### **CAM Requirements**

School districts must provide all students the opportunity to meet the standards required to earn a Certificate of Advanced Mastery. School districts award the CAM

and must be ready to award the certificate to students who qualify in 2008-2009. The CAM is not required by the state to graduate.

To earn a CAM, a student must meet the four requirements described on the previous page and must meet CIM performance standards through tests or work samples.

## **Guidance and Counseling**

To help students meet the diploma and CAM requirements described above, schools must provide comprehensive guidance and counseling support and access to information about careers. Guidance and counseling, and career information should be made integral to the educational process, including each student's effort to develop an education plan and profile. Each student should receive counseling and guidance support from an adult advocate in the school or community. Family members, other school personnel, and, where appropriate, other community members should have a hand in advising and guiding students about career options.

The guidance and counseling programs that districts offer must help students to:

- Develop decision-making skills
- Obtain information about self
- Understand the educational opportunities and alternatives available to them
- Establish tentative career and educational goals
- Accept increasing responsibility for their own actions
- Develop skills in interpersonal relations
- Utilize school and community resources.

Another way to look at Oregon's guidance and counseling framework is through the four student development domains it seeks to advance: 1) learning to learn (academic), 2) learning to work (career), 3) learning to live (personal and social), and 4) learning to contribute (community involvement).

## **Career Learning Frameworks**

Schools must also provide students access to career information and technical skills in Oregon's Career Learning Frameworks. These are planning tools that integrate learning in a career context. They are used to guide the development of the student's education plan and learning experiences. Career learning frameworks help students gain a deeper and broader view of their career interests and the expectations required for post high school employment and postsecondary training and education. They provide teachers a context that connects instruction and curriculum to real world applications. The frameworks also provide a common focus for employer and education partnerships, postsecondary connections, and community involvement.

Career learning frameworks are currently available in the following career categories:

- Agriculture, Food & Natural Resource Systems
- Arts, Information & Communications
- Business & Management
- Human Resources
- Health Services
- Industrial & Engineering Systems



Schools are not required to provide programs in any of the career areas to meet the CAM or diploma requirements. However, many schools choose to develop programs using career areas as a unifying theme and context for learning.

#### *Gresham-Barlow School District, Gresham*

##### **Standards Relevant to Students In Credit-for-Proficiency Program**

During the summer of 2004, 11 students from Gresham High School earned credit by demonstrating proficiency using a variety of state learning standards. The participating students chose three or four standards related to CIM, CAM, PASS or Career Related Learning and used their summer work, travel, or hobbies as the framework for designing individual, interdisciplinary projects. At the end of the summer the students were required to discuss the standards related to their activities and to present work samples as evidence of newly acquired proficiency.

"You mean I get credit for doing stuff I want to do anyway?" That was Maria's response when asked if she would like to take part in the pilot. She chose standards in Language Arts, Career Related Learning, and Health to go with her projects producing a community service radio program, and writing and performing health-related skits. Maria presented and discussed the scripts she wrote as well as tapes of her shows, lists of her presentations, a journal, and photographs.

Gresham-Barlow has expanded the program, which now includes 80 students and seven teachers working outside of the school day. The district's goal is to make credit for proficiency a part of the regular school day.

##### **Credit for Proficiency**

The Board adopted a policy in 2002 that allows school districts the option to award students credits toward graduation based on demonstrated proficiency. As an alternative to Carnegie Unit contact time, this gives students a means of receiving credit for learning that takes place in and out of school. Policies for proficiency credit are created and implemented by the local school district.

The purpose of this policy is to offer districts and schools flexibility to meet the various needs, interests, and learning pace of each student, to create additional options for students while maintaining high system standards and accountability, and to empower local decision-making and creativity. For example, it would be characteristic of an interdisciplinary course to cover more than one academic subject while exploring a particular topic in depth. Students who demonstrate proficiency in academic content as an outgrowth of interdisciplinary work might meet Carnegie Unit credit requirements for the disciplines involved.

Credit for proficiency represents the first Board policy that applies the benefits of the proficiency-based standards model to the traditional Carnegie

Unit credit system. As such, it may provide a path to bring the two separate high school credentialing systems now in place closer together.

##### **Board Perspective on Credentials**

The Board needs to confront the question of whether Oregon's current high school credentialing system serves students well enough, particularly its two-tier diploma/CIM arrangement and its current traditional course credit requirements. There is also some concern whether high schools are on track to meet new diploma and CAM career-related proficiency requirements on time.

In the two-tier high school credentialing system, the state does not require students to attain a CIM in order to receive a high school diploma (although school districts have the option to require this locally). Students who demonstrate the proficiencies associated with the CIM are prepared for postsecondary education and employment far better than those who meet only the minimum high school credit requirements. Students, however, do not necessarily know that, and because the CIM is not required, many do not become proficient at these levels.



The Board believes it is important to have common standards and assessments statewide that measure progress of students at all grade levels in core academic subjects. These standards and assessments should reliably inform Oregonians about the preparation of Oregon students for higher education, rewarding careers, citizenship, and life. The Board believes it is time to consider requiring demonstrations of minimum proficiencies in core academic subjects and career related skills as a requirement for a high school diploma, as the North Clackamas District has already done. This would signal to students how important it is to master critical academic and work-related skills. If we were to take this step, we might include many of the proficiency standards currently required for the CIM and the CAM, although not necessarily all of them.

What makes the CIM and CAM so important are the higher standards of proficiency they represent (compared with the current minimum diploma requirements) and the use of a common form of assessment. Yet, the traditional diploma has certain advantages over these two new credentials. First, the high school diploma remains something of a cultural milestone for students and their families and is widely recognized in the larger community. In addition, the course requirements for a diploma include subjects that are beyond the scope of the CIM and the CAM, and teacher grading on individual courses provides useful feedback for students and helpful indicators of competency for next-step partners, especially in higher education. By requiring demonstrations of proficiency as part of the diploma, we would blend the best features of these different credentials into one.

If we add proficiency requirements into the high school diploma, we will need to consider what knowledge and skills are critical for success in postsecondary education and employment. The Oregon University System has articulated proficiency requirements through the PASS system. The community colleges use placement exams to define readiness for college level work. Employers also often test candidates on knowledge and skills as a condition for employment. We need to understand how these knowledge and skill levels compare to the CIM and CAM level proficiencies as we explore new high school diploma requirements. We also need to consider whether K-12, postsecondary, and employer assessment tools can be better linked, a subject that we address in the next section.

#### *North Clackamas School District, Milwaukie*

### **CIM-Level Requirements Boost Performance**

North Clackamas is one of a few districts in the state that requires students to earn a Certificate of Initial Mastery (CIM) or its equivalent to graduate. Students must meet state performance standards in reading, writing, speaking, math and science by passing state tests to earn a CIM or by demonstrating CIM-level skills through additional work samples. The district began phasing in the CIM in 1998. It aligned curriculum with state standards, trained teachers in CIM requirements, and educated students and families about the new academic demands. Students in the class of 2004 were the first to demonstrate CIM-level skills as a prerequisite to earning their diplomas.

In 2002, 25 percent of North Clackamas students earned a CIM. In 2004, that number jumped to 60 percent, one of the highest success rates in the state. The district insisted on CIM-level skills because it believes these higher standards will raise student achievement and contribute to student success after high school.

Performance results for the Class of 2004 suggest the district is on the right track. The district's average SAT and ACT scores increased, and so did the number of tenth graders meeting state benchmarks in reading and math rose. The district is encouraged by this initial success.

The Board also sees the need to re-examine the Carnegie unit requirements. Apart from the question of proficiencies, Oregon's current minimum high school credit requirements fall short of OUS entrance requirements. Although school districts can require more subject credits and a higher GPA, the Board is considering raising the minimum credit requirements statewide to include at least the minimum for admission in the Oregon University System. That means one more unit each of English, math, and a second language -- and a higher GPA.

The Board sees great merit in granting credit to students who demonstrate proficiency associated with specific high school courses. Currently, the proficiencies associated with the CIM and CAM do not tie directly to specific courses. In the future, we envision common examinations (such as AP exams) for all courses that can be taken to earn course credit for those students who master material, whether inside the

traditional classroom or outside, drawing on web-based learning, applied learning, or other means. In the meantime, we will continue to rely on district level initiative to award credit for proficiency, relying on assessment tools of district choice.

Current diploma requirements must be in place by 2006-07 and career related proficiencies must be in effect by 2008-09. The Board believes that career oriented requirements are important and will serve students well. Many schools and districts have said they share that view. The Board would welcome comments on how we should work with schools struggling to meet the timeline.

We want all the credentials designed to celebrate solid achievement and to be recognized by postsecondary institutions, employers and the community at large. In particular we want the minimum requirements for a high school diploma to represent high levels of academic accomplishment. Our aim is to design an education deliver system that brings all students up to rigorous standards of skill and knowledge. Skills include ability to read and comprehend complex material, write well for a variety of purposes, listen and

communicate orally, solve problems, work effectively in teams, and take initiative. We also want a system that provides all students the opportunity to apply their learning in at least one field of interest, in order to gain deeper understanding of academic subjects and to explore potential career interests. The diploma should represent this level of learning

#### *Powers School District, Powers*

##### **Students Shine in Service Learning Program**

In an isolated valley in southwestern Oregon, on the South Fork of the Coquille River, the Powers School District – student population 145 – is demonstrating that service learning projects keep students motivated, focused, and on track for success.

Service learning integrates student involvement in community service projects with math, history, natural sciences, and other curriculum. Working with local government agencies such as the U.S. Forest Service and the Oregon Department of Fish and Wildlife, Powers students at all grade levels participate in projects such as migratory fish stock enhancement and restoration of native plants beneficial to forest ecosystems.

In his four-and-a-half-year tenure, Superintendent Bill Gehling counts more than 140 service learning activities and "tremendous turnarounds" among students, a significant outcome in a district where the majority of the students are from low income backgrounds.

In the native plant species program alone, he says, among 18 high-risk students, all but one have improved their academic performance and have either graduated or are on course to graduate. One student, who was an eighth grade dropout, is now an honors student who hopes to obtain a college degree in agronomy.

**What should be included in the high school diploma requirements?**

**What can we do to improve Oregon's high school credentials  
(diploma, Oregon Honors Diploma, CIM, CAM, GED, other?)**

# CONTENT STANDARDS AND ASSESSMENTS

Oregon's Statewide Assessment System measures student attainment of academic standards leading to and including those required for the Certificate of Initial Mastery. Like the standards that it measures, the assessment system is uniform and statewide in scope, so it gives students, parents, educators, elected officials, and the public a basis to compare student performance and progress within a school, within a district, across the state, and over time.

**What can we do to improve Oregon's standards and assessments?**

In addition, the assessment system:

- Informs students, teachers, parents, employers, and postsecondary programs about student skill proficiencies.
- Provides information on student and school performance useful for policy decisions on budgets, staffing, and other matters by state elected officials, the State Board of Education, and local school districts.
- Supports instructional program improvement.
- Informs the public about statewide student and school achievement in Oregon.

## **What Statewide Assessments Measure**

The assessment system measures student performance against Oregon's Content Standards, i.e., what the Board of Education considers important for our students to know and be able to do.

Oregon's content standards form the foundation for curriculum and assessment at all grade levels. They represent the knowledge and skills that the Board believes all students should achieve, while leaving local districts discretion on additional subjects and studies. The content standards are available for review at <http://www.ode.state.or.us/go/standards>.

Oregon's assessment system differs from those found in many states in that Oregon relies not just on multiple choice tests, but also samples of student written and oral work which is assessed by Oregon teachers in the classroom (in the case of work samples) or centrally by trained scorers (in the case of statewide performance assessments).

Specifically, Oregon's assessment system consists of:

- State multiple-choice tests of knowledge and skills in math, reading, science, and social sciences
- State performance assessments (centrally scored student work) in math and writing
- Classroom work samples in math, science, speaking, and writing.

The state assessments begin in third grade and are conducted every year thereafter in grade school in English and mathematics, and at fifth and eighth grade in science. In high school the state assessments are targeted at the tenth grade, with local work samples accumulated both in freshman and sophomore

Tests Scheduled in 2004-05

Grade	English	Writing	Math	Science	Social Sciences
3	√		√		
4	√	√	√		
5	√		√	√	√
6	√		√		
7	√	√	√		
8	√		√	√	√
CIM	√	√	√	√	√

years.\* At each grade, benchmark scores are established which reflect achievement of the academic standards set for that level. The CIM is awarded when students demonstrate proficiency on these tests at the tenth grade level.

In addition to the state content standards and statewide assessments, the Oregon University System has created the Proficiency-Based Admissions Standards System (PASS), which represent standards and assessments OUS believes will prepare students for university level work.

The multiple-choice assessment of student proficiencies for the CIM satisfies many of the assessment requirements for college-level proficiencies contained in PASS. In this sense, CIM assessments *align* with PASS assessments, but they do not constitute the complete assessment requirements of PASS, just as CIM content standards do not meet all of the requirements of PASS. Additional qualitative assessments, i.e., teacher review of student work at a more demanding content level, is required for PASS assessment.

The PASS staff has been training high school teachers how to administer the classroom PASS assessment, and also how to merge the traditional grading process into the PASS assessment process to conserve teacher time and effort in assessment. So far, about 1,500 Oregon high school teachers have received this training, including concentrations of staff in the Beaverton School District and the math, English, and science departments of several other district high schools. Students who meet the PASS classroom assessment for particular content areas are awarded credit for CIM proficiencies in those content areas if they have not already passed CIM standards for those subjects.

There is a misconception in some parts of the K-12 system that students who qualify for a CIM meet PASS standards. They don't, and it probably isn't realistic that they should since CIM standards are aimed at the tenth grade level. CIM proficiencies *align* with Oregon University System PASS standards in the sense that they are the right building blocks on the way to PASS standards, but they are not *all* the building blocks needed. They fall short, for example, in math, where CIM requirements stop at geometry. OUS minimums include algebra II and more competitive institutions often require pre-calculus.

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\* Although CIM assessments were originally anticipated for the tenth grade, they occur throughout the four-year high school period, depending on student readiness. Testing through computers located at schools under the Technology Enhanced Student Assessment (TESA) program makes it easier for students to access assessment anytime they are ready, and about half of all assessments occur through the TESA system. Work samples also accumulate throughout the four-year period.

## Board Perspective on Statewide Assessments

As we reflect on Oregon's assessment system, the Board has developed a set of criteria to consider as we evaluate the current system and its alternatives.

1. We want an assessment system that fairly measures whether each student has mastered established content knowledge and skills.
2. We want the assessment system to support teachers. We want to be clear about the content that needs to be covered and we want assessments to be helpful for supporting improvements in classroom practice and for identifying the specific needs of individual learners.

### *Nixáawii Community School, Umatilla Indian Reservation*

#### **Standards Plus Heritage Boost Student Success**

At the Nixáawii Community School, Joe has a 2.83 GPA, is school president, and embraces learning about his native culture. He is beginning to consider directions to take his education and career.

But a year ago, those options were limited. Before applying to Nixáawii, Joe had a GPA below 1 (it was .17) and was at-risk for dropping out. At his old school he preferred to "hide out" in the classroom, disengaged at the back of the room. At Nixyáawii he is "tuned in," asking questions and voicing his opinions.

The focus of Nixáawii Community School is to provide college preparation for all students and preserve native culture. Central to the school's success is a rigorous curriculum that is relevant to students' lives. Using native art, history, skills and culture as the context for core academics, Nixáawii students take pride in who they are and in what they can achieve. Students in need of academic support are provided personal tutors. Tribal members help teach, mentor, and motivate students.

At his old school Joe felt "invisible." But at Nixyáawii, he is respected and challenged by the adults in the school and in the community as a good student looking ahead to a bright future.

3. We want the assessment system to measure the success of individual schools at advancing the knowledge and skills of the students enrolled as well as the broader performance of Oregon's system of public education. The system should spotlight the number of students meeting state standards as well as the learning gains of students. It should provide clear data by race and ethnicity to spotlight progress within individual schools. This data should inform communities and parents about the quality of their schools, and help schools themselves identify opportunities for improvement.

4. We want an assessment system that is flexible, one that enables students to advance as fast as they choose and provides additional instruction for those who need more time to master a particular subject. This includes providing credit to students who can demonstrate proficiency in a subject, and providing access to postsecondary credits while students are still in high school.

5. We want our system of standards and assessments to be clear and connected so that when mastery is demonstrated at one level, a student is able to move seamlessly to the next level of study in the K-16 continuum. For

example, a student meeting mastery requirements in mathematics should know that she is ready for the next level, whether the course is taken in high school, community college, or at a university. Assessments in high school should be directly useful for community colleges and four-year institutions for admission and placement.



The last two criteria are becoming ever more important, because the lines between high school and postsecondary education are becoming blurred. Teenage students increasingly are seeking courses outside the walls of high school – at community colleges, universities, and over the Internet. We want a system that encourages students to take advantage of all the options available, and that rewards accelerated learning with appropriate credentials

The statewide assessments do not directly connect with assessments commonly used by those seeking to attend college, the Scholastic Assessment Test (SAT) and the Aptitude for College Test (ACT). Neither of those tests directly ties to statewide standards, nor are they applicable to early grade levels. Yet those tests have greater currency for many high school students because they are more widely recognized by colleges and universities.

While the statewide assessments do connect with PASS, that system is not yet widely used for university admission and placement purposes, and many high schools do not have adequate training to administer PASS. The PASS staff has trained 1,500 high school teachers to integrate PASS-level standards and proficiencies in their classrooms. But the PASS connection is being implemented only in districts such as Beaverton where there is strong local commitment and initiative. It isn't likely that PASS standards will be implemented across Oregon high schools without a policy that requires it and without resources to train teachers on a large scale in its use.

The statewide assessments do not tie to the assessments used by colleges and universities once students enter college. Most notably, the community colleges all use assessments for placement once students enter these open-enrollment institutions. Yet, those assessments have in no way been calibrated or connected to the state assessments used in high school. The Board would like to explore how to improve these connections.

While Oregon can take considerable pride in the assessment system it has developed, it is important to acknowledge the system's limitations. The system was designed to determine whether individual schools are meeting state content standards. It serves other purposes unevenly. In particular, as a tool for reviewing school performance, it deserves a careful review, especially because the stakes were raised substantially when the Federal Government passed the No Child Left Behind Act (NLCB), and tied federal funding policy to individual school performance.

#### *Columbia Gorge Community College, The Dalles*

##### **Dual Credit Preps Students for College**

For over 15 years, Columbia Gorge Community College has coordinated Project Advance, a program that awards dual credit (high school and postsecondary) for specific, advanced courses offered at 5 area high schools in Oregon.

In each dual credit course, curriculum is articulated with college course content and outcomes, and high school instructors meet college faculty qualifications. About 450 students participate annually in Project Advance, taking college-level courses in math, science, technology, and English.

Shilah did not have a specific goal in mind when she took calculus for college credit at South Wasco County High School. But like the many other students involved, she enjoyed the challenge and the chance to get a jump on college. The experience prompted her to enroll full time at Columbia Gorge Community College after she graduated.

With a core requirement already complete, she entered college with greater flexibility in designing her program of study and the added confidence of knowing she could succeed. Shilah is proof that Columbia Gorge Community College is realizing the multiple goals it has set for Project Advance. Dual credit improves student achievement, prepares students for the demands of college, expands college enrollment, and strengthens the community by supporting a seamless transition to postsecondary education.

In short, we are putting increasing demands upon our assessment system – and we think it is timely to review it. We would appreciate comments on what are important criteria for evaluating any assessment system, and how well the Oregon system performs against those criteria. We would be interested in learning about alternatives, and their benefits.

**What can we do to improve Oregon's standards and assessments?**

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**How can you or your organization contribute to the success of this initiative? What do you see as your role?**

**After reading this paper, what other comments do you have?**

### **Let Us Hear From You**

We invite your responses to each of these questions. Please send your comments to [jan.mccomb@state.or.us](mailto:jan.mccomb@state.or.us) or mail them to State Board of Education, ATTN: Jan McComb, 255 Capitol Street NE, Salem, Oregon 97310. There is also a web survey with the five questions online at <http://www.ode.state.or.us/search/results/?id=144>.

The comments will be summarized and presented to the public and to the State Board of Education. *To be sure that your comments are included in the first round summary, please submit them by December 16, 2005.*



## STATE BOARD OF EDUCATION – TOPIC SUMMARY

**Topic:** Enrollment Management Policy

**Date:** Oct. 21, 2005

**Staff/Office:** CCWD

**Action Requested:**

☒ Information only ☐ Consent Agenda ☐ Policy Adoption ☐ Policy Discussion ☐ Rule Adoption

☐ Policy Discussion ☐ Signal Field ☐ Stakeholder Input ☐ Bd. Learnings Identified ☐ Stakeholder Input ☐ Policy Decision

**Priority:**

☒ Access ☐ Accountability ☐ Governance ☒ Success For All Students ☐ System Integration

**Board Preliminary Policy:** \_\_\_\_\_

**ISSUE BEFORE THE BOARD:** Process for determining an enrollment management policy.

**BACKGROUND:** According to the resolution passed by the Board on May 20, 2005, "The State Board of Education will incorporate an enrollment management policy into the Community College Support Fund Formula for the 2007-09 biennium. The State Board of Education will establish the enrollment management policy no later than the March 2006 State Board of Education meeting."

This report outlines the process staff and stakeholders are undertaking to determine a recommendation for an enrollment management policy.

### ***Process and Schedule:***

- **October:** At the October Presidents Council meeting, several Presidents will present information on enrollment management policies in other states.
- **October-December:** CCWD will convene meetings of an Enrollment Management Committee in October, November, and December to discuss the Presidents' findings and begin policy development. The committee will include the following stakeholders:
  - Community college presidents
  - State Board of Education member
  - Faculty member
  - OCCA Board member
  - Community college business managers
  - CCWD Commissioner, Assistant Commissioner, and policy analyst
- **January:** Staff will present the committee's work to-date at the Board's January 2006 meeting for discussion.
- **February:** The committee will incorporate Board feedback and direction. Staff will present a final policy draft to the Board at its February 2006 meeting for discussion.
- **March:** The Board adopts an enrollment management policy.

## STATE BOARD OF EDUCATION – TOPIC SUMMARY

**Topic:** Strategic Fund

**Date:** Oct. 21, 2005

**Staff/Office:** CCWD

**Action Requested:**

☒ Information only ☐ Consent Agenda ☐ Policy Adoption ☐ Policy Discussion ☐ Rule Adoption

☐ Policy Discussion ☐ Signal Field ☐ Stakeholder Input ☐ Bd. Learnings Identified ☐ Stakeholder Input ☐ Policy Decision

**Priority:**

☒ Access ☐ Accountability ☐ Governance ☒ Success For All Students ☐ System Integration

**Board Preliminary Policy:** \_\_\_\_\_

**ISSUE BEFORE THE BOARD:** Process for determining recommendations for use of the Board's Strategic Fund.

**BACKGROUND:** According to the resolution passed by the Board on May 20, 2005, "The State Board of Education establishes a Strategic Fund to be used at the Board's discretion, with the recommendation of the Commissioner. For 2005-07, the Strategic Fund will be no greater than one-quarter of one percent of the total legislatively approved Community College Support Fund allocation." This report outlines the process to determine recommendations for use of the Strategic Fund.

In August 2005, the Oregon State Legislature appropriated \$428,114,455 to the Community College Support Fund for the 2005-07 biennium. The maximum amount available for the Strategic Fund, one-quarter of one percent of the total CCSF or \$1,070,286, has been withheld from formula calculations and is available to be used at the Board's discretion. Any unused portion of the Strategic Fund will be allocated through the CCSF Distribution Formula at the end of the biennium. Over the next few months, staff will develop policy on recommended use(s) of the Strategic Fund as well as the process for applying for Fund monies.

October-December: Community colleges, the State Board of Education, and other stakeholders will provide recommendations for Fund use to CCWD staff.

December: Staff will incorporate stakeholder feedback and develop a process for applying for Fund monies.

January: Staff will present recommendations for discussion on the Fund's use and an application process at the Board's January meeting.



# Tillamook Bay

COMMUNITY COLLEGE

May 2, 2005

Dear State Board of Education and Commissioner Preus-Braly,

## **TBCC's Situation**

In response to local desires, Tillamook Bay Community College for many years focused on community education, categorized for reimbursement purposes as Self Improvement. In 1995-96, the first year for which records are provided on the CCWD Web Site, TBCC had 47.8% of its enrollment in the Self Improvement category. The college with the next highest percentage enrollment in this category had 17%. This situation remained largely unchanged over the following eight years and in 2002-2003 Self Improvement courses accounted for 45% of TBCC enrollment while the college with the next highest percentage was at 9%. Local constituents sought these community education courses and enrolled in growing numbers.

In the Spring of 2003, the legislature directed what type of courses would be eligible to receive state reimbursement and, as you know, any Self Improvement courses that did not address health, safety, or workforce content were disallowed. Faced with this new environment, and often in direct opposition to the desires of its local constituents, TBCC began to explore ways to make the newly unreimbursable courses become self sufficient. Inevitably, this process resulted in significantly higher prices and, as a result, enrollments plunged.

The next year, enrollment continued to decrease as the Self Improvement offerings withered. Additionally, enrollment fell as tuition and fees increased and TBCC eliminated an Electronics Engineering Technology Program due to loss of grant funding and low enrollment. Total enrollment in 2003-2004 decreased to 285 reimbursable FTE, down from the "frozen" number of 474 FTE set in 2001.

Across the state, Self Improvement FTE fell 16.6% in 2002-2003 and another 41% in 2003-2004 (CCWD Web Site). However rather than a decrease from a range of 2% to 9% of enrollment as our sister colleges experienced, TBCC had to restructure almost half of the College's offerings. The cumulative effect was a devastating blow to enrollment.

In recognition of the new environment the College was operating in, offerings were revamped. Staff in many areas of the College were laid off, both to respond to cuts in state funding and also to redeploy resources into hiring more full-time and adjunct faculty who taught courses that remained reimbursable. The Board of Education declared that degree and certificate programs were the highest priority for budgeted funds and other credit coursework was a strong second priority. Additionally, because the College had

gained a reputation in the local community as an unreliable provider of degree coursework due a consistent pattern not offering or canceling many courses because of low enrollment, a Degree Guarantee Program was instituted. This Program assured potential students that the College would spend resources in such a way that the courses necessary to obtain the AAOT, the AS, the AGS, and ASOT-Business degrees in two years would be offered regardless of enrollment. An aggressive marketing program was instituted to convince both local and regional prospective students that TBCC was a good choice to obtain these degrees.

The effect of these actions was not immediately apparent. The first year they were implemented enrollment continued to fall. The College persisted and in 2004-2005 the results began to come. The College celebrated in the Fall of 2004 when the Institutional Research Office reported that reimbursable enrollment was up 8.1%, the second highest growth rate in the State. Although the numbers are small, the growth in full-time students continues to make impressive gains. On the first day of classes for the current Spring Term, there were 59 students in that category compared to 27 the year before, a 118% increase. The restructuring of offerings and the Degree Guarantee Program have resulted in larger class sizes and courses currently are of sufficient size to rarely require invoking the Guarantee Program. Clearly, the repositioning of the College is having the intended effect. With most of the academic year completed, the Office of Institutional Research forecasts a 13% increase in reimbursable FTE to 323.32 including the College's largest ever percentage of enrollment in Lower Division Credit at 30.21%. There are gains in the Professional Technical and Developmental Education categories as well.

TBCC, along with all community colleges in the state, has suffered from the overall reduction in state funding and from loss of enrollment due to sharply higher tuition rates. TBCC also experienced significantly higher percentage tuition and fee revenue declines than most of the Colleges due to substantially greater enrollment losses.

There are, however, two financial factors that have helped Tillamook Bay Community College restructure: (1) the frozen FTE number that insulated the College for several years from a reduction in the percentage of state support received due to declining enrollment; and (2) TBCC enjoyed a relatively high property tax amount per student.

The rule change now pending gradually removes those two beneficial factors. Enrollment losses in past years are factored into the distribution formula over the next three years and equalization of property taxes per student is phased in over six years. These changes, coming two years after the legislatively directed reimbursement rule change, deals two more devastating blows to the College. As currently proposed, the rule under consideration will cut TBCC average annual State support by 26.7% for the 2005-2007 biennium and by 48% in the following biennium.

### **TBCC's Proposal**

As a College, TBCC will adapt to whatever environment is created by action of the Legislature and the State Board of Education and respond in a manner that provides our

local communities with the best community college services resources will allow. However, a 26.7% decrease in annual state support in the upcoming biennium and the prospect of a 48% reduction in annual state support in three years will cripple the College's efforts to restructure just when those efforts are beginning to bear fruit. To ameliorate the unintended effects of the rule that changed what was reimbursable, and the proposed rule unfreezing FTE and implementing equalization, TBCC endorses the concept of a set-aside or reserve fund to be established by the rule now under consideration. This fund would allow the Commissioner or the State Board of Education the flexibility to respond to anomalies caused by the rules without having to make a change to them.

Furthermore, TBCC proposes that funding from a set-aside or reserve fund be used to assist the College to compensate for the change in reimbursable categories without compromising the phasing in of equalization. Over the 2003-2005 biennium, average community college enrollment across the state declined by approximately eight percent while TBCC enrollment declined by 66%. If TBCC had started the biennium with a mix of courses that approximated the averages for the State, it is likely that the decline in enrollment at TBCC would have approximated the average for the state. Thus, if that average enrollment decline is applied to TBCC rather than the actual decline, to compensate for the unintended consequence of the 2003 rule change, TBCC's state support declines \$87,640 in 2005-2006 from 2004-2005 rather than the \$316,221 currently proposed. Likewise in 2006-2007, funding declines \$91,430 from 2004-2005 levels rather than the \$562,036 proposed. This method of determining assistance for TBCC does not constitute a "hold harmless" from current state support, does not significantly compromise the phasing in of equalization, costs the other colleges what practically amounts to a "rounding error", and moves TBCC toward use of actual FTE by using the state-wide actual decline in FTE as a variable.

TBCC will continue to work diligently to transition to a sustainable condition not requiring assistance from the proposed set-aside or reserve fund and will make annual reports to the Commissioner or State Board on progress toward that goal. A 9% increase in tuition along with significant cost-cutting measures including continued layoff of staff are proposed in the TBCC 2005-2006 Budget and are evidence of the College's commitment to continue to make the necessary sacrifices that restructuring requires.

Tillamook Bay Community College urges creation of a set-aside or reserve fund and the provision of assistance from that fund to TBCC to allow adjustment to the current and proposed rules and to continue the restructuring process.

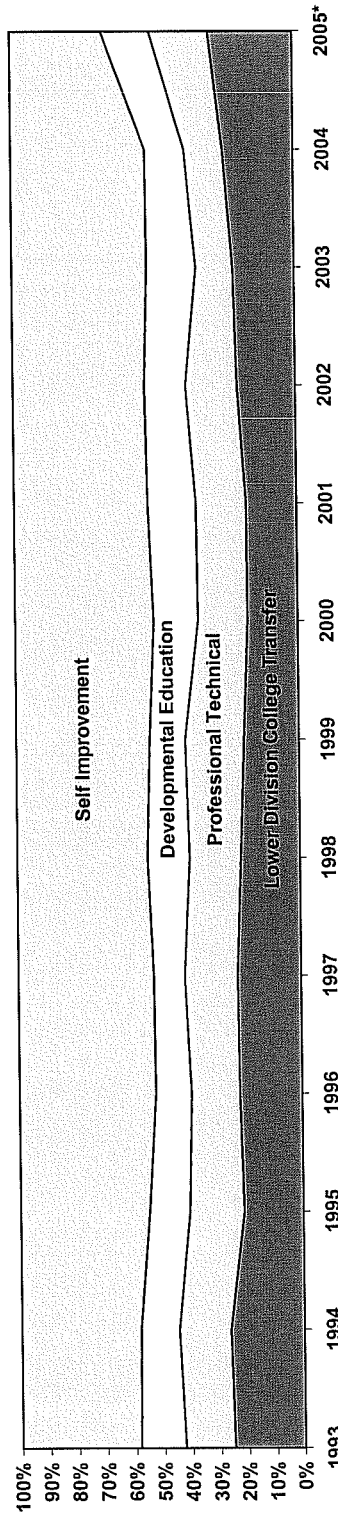
Sincerely,

Ralph Orr, President

	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005*
Lower Division College Transfer	99.12	101.44	82.08	78.34	92.21	92.14	80.43	65.40	76.72	89.25	75.26	72.27	97.69
Professional Technical	68.77	70.39	75.59	60.74	76.53	79.50	85.18	63.81	75.68	77.96	45.02	39.12	67.55
Developmental Education	62.81	51.46	55.40	44.74	44.29	64.67	51.27	57.06	72.19	61.53	59.64	39.62	54.35
Self Improvement	164.96	161.32	176.39	168.93	193.58	199.80	191.83	176.80	199.07	197.59	162.23	134.95	103.73
	395.66	384.61	389.46	352.75	406.61	436.11	408.71	363.07	423.66	426.33	342.15	285.96	323.32

	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005*
Lower Division College Transfer	25.05%	26.37%	21.08%	22.21%	22.68%	21.13%	19.68%	18.01%	18.11%	20.93%	22.00%	25.27%	30.21%
Professional Technical	17.38%	18.30%	19.41%	17.22%	18.82%	18.23%	20.84%	17.58%	17.86%	18.29%	13.16%	13.68%	20.89%
Developmental Education	15.87%	13.38%	14.22%	12.68%	10.89%	14.83%	12.54%	15.72%	17.04%	14.43%	17.43%	13.86%	16.81%
Self Improvement	41.69%	41.94%	45.29%	47.89%	47.61%	45.81%	46.94%	48.70%	46.99%	46.35%	47.41%	47.19%	32.08%

The "Evolution" of TBCC 1993-2005  
Percent of Reimbursable FTE



\* Estimated

# CALCULATIONS USED TO DERIVE BUFFERED TBCC FTE

1) Calculate percent change between years

	FTE		Percent Change
	FY2001-2002	FY2003-2004	
State-wide Average	96,026.70	88,837.00	-0.0809 (b)
TBCC	474.38 (a)	285.72	-0.6603

Source: FTE figures used here are presented in the CCWD "Proposed Distribution Model", Enrollment tab

2) Calculate buffered TBCC FTE (d) using state-wide average change

Buffered FTE Loss	474.38 (a)	x	-0.0809 (b)	=	-38.39 (c)
Buffered FTE	474.38 (a)	+	-38.39 (c)	=	435.99 (d) *

\* Result (d) is used in place of the "un-buffered" FTE amount used in the CCWD "Proposed Distribution Model", Enrollment tab for FY2003-2004 Actual FTE

# SUMMARY OF STATE RESOURCE ALLOCATION PER YEAR

Includes state resources only -- property taxes are not included

Percent Movement to Equity

	B	C	D	M	N	I	L	Q
	2003-04	2004-2005	Average of 2003-05	Average of 2005-2007 Before Buffering	Percent Change (D vs. M)	Average of 2005-2007 After Buffering	Percent Change (M vs. L)	Before to After affect
College								
Blue Mountain	\$5,266,413	\$5,266,413	\$5,266,413	4,768,579	(0.0945)	4,760,760	(0.0960)	(0.0016)
Central Oregon	\$6,385,330	\$7,236,755	\$6,811,042	5,745,641	(0.1564)	5,731,200	(0.1585)	(0.0025)
Chemeketa	\$23,203,197	\$23,203,197	\$23,203,197	23,724,500	0.0225	23,682,599	0.0207	(0.0018)
Clackamas	\$14,316,657	\$14,316,657	\$14,316,657	16,347,706	0.1419	16,315,854	0.1396	(0.0019)
Clatsop	\$3,288,853	\$3,488,023	\$3,388,438	3,091,999	(0.0875)	3,086,509	(0.0891)	(0.0018)
Columbia Gorge	\$3,165,574	\$3,414,575	\$3,290,075	3,788,287	0.1514	3,784,047	0.1501	(0.0011)
Klamath	\$3,317,124	\$3,450,898	\$3,384,011	3,787,440	0.1192	3,781,885	0.1176	(0.0015)
Lane	\$26,328,395	\$26,328,395	\$26,328,395	25,044,859	(0.0488)	25,003,076	(0.0503)	(0.0017)
Linn Benton	\$14,561,671	\$14,834,758	\$14,698,214	15,884,559	0.0807	15,859,647	0.0790	(0.0016)
Mt. Hood	\$20,259,794	\$20,542,362	\$20,401,078	20,039,506	(0.0177)	20,007,710	(0.0193)	(0.0016)
Oregon Coast	\$1,240,205	\$1,423,062	\$1,334,633	1,304,737	(0.0202)	1,303,012	(0.0215)	(0.0013)
Portland	\$49,178,245	\$50,002,455	\$49,590,350	53,308,541	0.0750	53,219,270	0.0732	(0.0017)
Rogue	\$9,089,409	\$9,579,278	\$9,234,344	8,146,856	(0.1178)	8,130,089	(0.1196)	(0.0021)
Southwestern Oregon	\$6,142,955	\$6,142,955	\$6,142,955	6,652,862	0.0830	6,641,264	0.0811	(0.0017)
Tillamook Bay	\$1,152,652	\$1,358,730	\$1,255,691	919,602	(0.2677)	1,269,195	0.0108	0.3802
Treasure Valley	\$4,483,087	\$4,483,087	\$4,483,087	5,310,423	0.1845	5,302,701	0.1828	(0.0015)
Umpqua	\$8,187,872	\$8,438,257	\$8,313,064	8,804,545	0.0591	8,791,824	0.0576	(0.0014)
Totals	\$199,567,433	203,309,859	201,438,646	206,670,642	0.0260	206,670,642	0.0211	0.0000



## Strategic Planning and Accreditation

### RECOMMENDATION

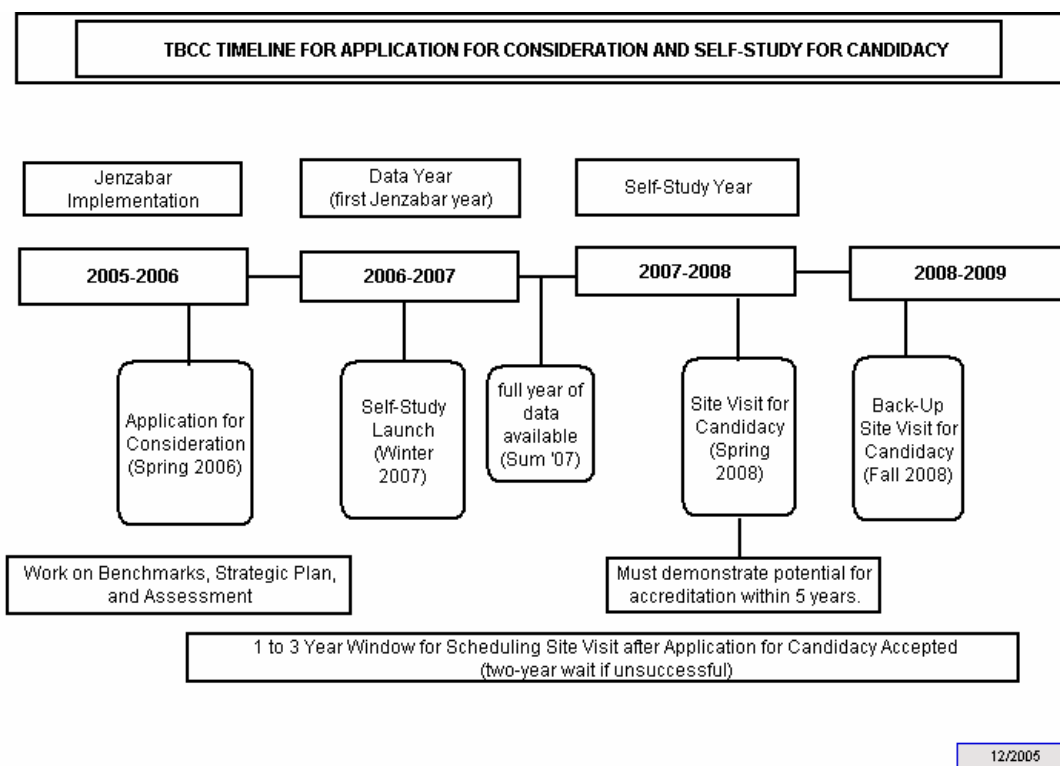
For information only – no action requested

### BACKGROUND INFORMATION

----- President Orr and Dean Gates

Work is underway to prepare for the Application for Candidacy due in spring (see attachment). Recently, an analysis of TBCC's status regarding NWCCU Accreditation Requirements, which is a major element in the Application, was revised and reviewed. Tillamook Bay Community College is in very good shape regarding the Requirements, but on-going work on planning is very important. The "Plans to Meet Benchmarks" document is also being revised, with updating of "complete" and "in progress" items, in preparation for review by the Executive Committee, assignment of responsibilities, connection to financial planning (budget), and annual progress update for the Planning & Steering Committee (as part of the Strategic Plan).

Dean Gates will be prepared to entertain questions on these activities.



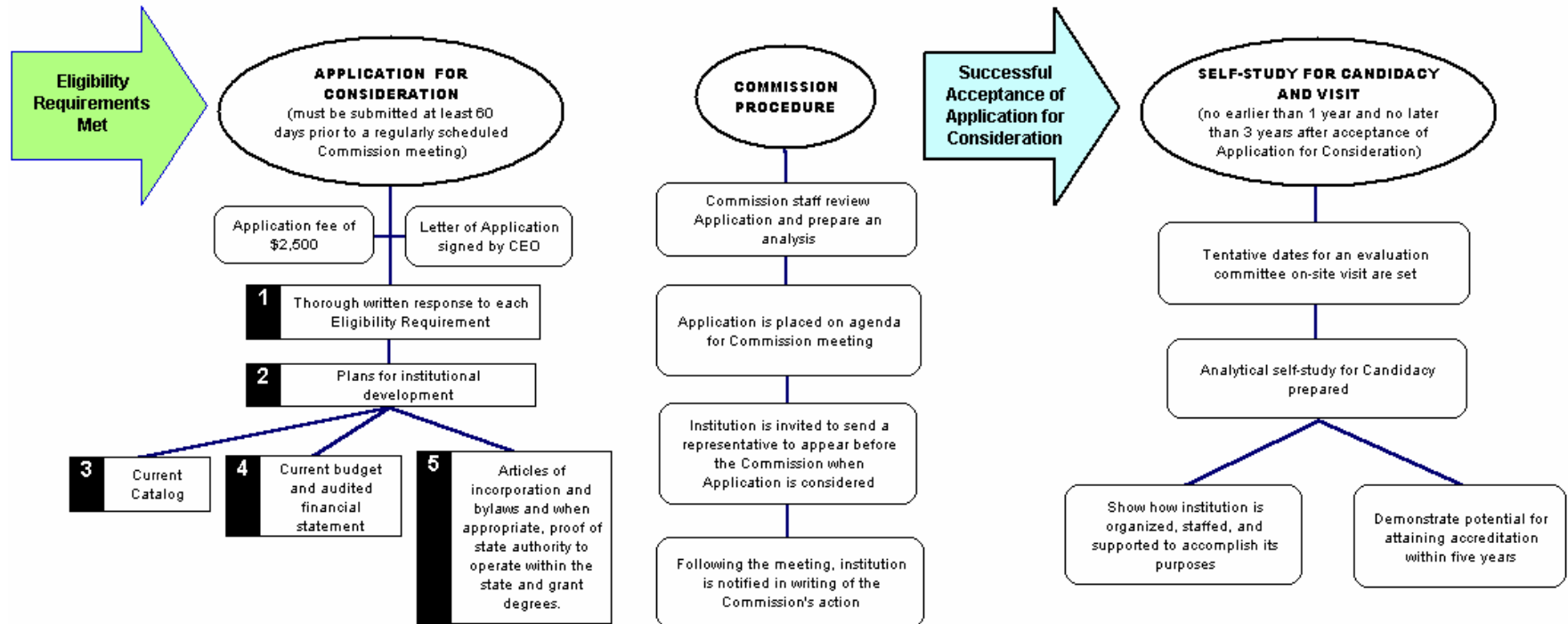
See chart (attached) for map of Process for Recognition as a Candidate for Accreditation.



**Tillamook Bay Community College**

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**Tillamook Bay Community College  
Process for Recognition as a Candidate for Accreditation**



## Courses and Curricula

### **RECOMMENDATION**

For information only – no action requested

### **BACKGROUND INFORMATION**-----Dean Gates

Tillamook Bay Community College will be able to advertise the addition of the Oregon Transfer Module (OTM) and Retail Management Certificate in the Spring Schedule of Courses. Colleges are not permitted, by State rules, to advertise programs until they are submitted to the Oregon Department of Education for approval.

Conversations have begun with the Tillamook Education Consortium's Hospitality, Tourism, Recreation (HTR) program and PCC's Business Dean regarding curriculum for a Hospitality, Tourism, Recreation Management (HTRM) program for TBCC. Both represent critical support groups as we move the proposal through PCC and ODE approval processes. Initial reaction was very favorable. Plans for the HTRM program for TBCC include a less-than-one-year Certificate that would include at least three courses articulated with the high schools' HTR program, a one-year Certificate, and an AAS Degree.

Dean Gates will be prepared to entertain questions on this information.



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## Grants and Contracts<sup>i</sup>

### **RECOMMENDATION**

For information only – no action requested

**BACKGROUND INFORMATION**----- Dean Ellison

There are no grants or contracts to be considered this month.

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<sup>i</sup> **TBCC Policy - ARTICLE 106: CONTRACT REVIEW BOARD**

By ORS 279.055, the TBCC Board of Education is designated as the local contract review board for the TBCC District.

Oregon Department of Justice Rules – Chapter 137 Division 30, 35, 40, and 45; Chapter 125 Divisions 20, 22, 25, and 65.

### **Approved by Board of Education – August 2005 - Establish Public Contract Review Board**

Move that the Board of Directors act as the Contract Review Board for the District for the 2005-2006 Fiscal Year, approve the Local Contract Review Board Rules, and delegate this authority to the President/Clerk for contracts not exceeding \$25,000. (O.R.S. 279.055)



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## Board of Education Policy<sup>i</sup>

### **RECOMMENDATION**

Approval of Policy Articles 311 and 407 as presented.

### **BACKGROUND INFORMATION**----- **President Orr**

In the attached Article, text proposed for deletion is struck through and new text is boldfaced. There have been no changes made since the first reading of these policies.

<b>Policy</b>	<b>Status</b>
Policy Article 211 – Acceptable Use of Computing Resources	New policy article presented for first reading – proposed to set policy which reflect current practice.
Policy Article 311 – Non-Faculty Compensation	Presented for third reading and approval. Proposed addition to allow employee waiver/opt-out of medical insurance coverage.
Policy Article 407 – Faculty Compensation	Presented for third reading and approval. Proposed addition to allow employee waiver/opt-out of medical insurance coverage.

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#### <sup>i</sup>TBCC POLICY MANUAL - ARTICLE 102: POLICIES AND PROCEDURES

A. The policies and procedures adopted by the Board for the District have been written to be consistent with the provisions of law, but do not encompass all laws relating to the District's activities. All District employees will be expected to know and will be held responsible for observing all provisions of law pertinent to their activities as District employees.

B. Any policy or procedure needing immediate action may be enacted by a unanimous vote of the entire Board. The vote will be entered in the minutes of the meeting.

C. Additions, changes and/or deletions of policies and procedures governing the District shall be considered by the Board at a minimum of two separate meetings before final action is taken. Amendment will be made by the repeal of the existing policy and, if required, the enactment of a new policy.

D. The President will furnish a copy of the policies and procedures and a copy of any amendment thereof to each employee and to any interested person. In lieu of the distribution of the complete manual, the President may prepare a special edition for any specific group of employees; provided, however, that a copy of the complete policies and procedures is made readily accessible to all employees and to members of the public. Copies of the policies and procedures will be on file in the office of the President of the District.



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Article No.: 211

Approved: *Pending*Reference: Articles 208, 209, 316 and 322

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## **211 INTRODUCTION**

The College's computer and information network is a continually growing and changing resource that supports students, faculty, staff and the outside community. These resources are vital for the fulfillment of the academic and business needs of the College community. Their use is provided as a privilege. In order to ensure a reasonable and dependable level of service, it is essential that each individual faculty member, staff member, and student must exercise responsible, ethical behavior when using these resources. Misuse by even a few individuals has the potential to disrupt College business, and, even worse, the legitimate academic and research work of faculty and students.

This policy outlines the application of the principles that govern our academic community in the appropriate use of College computer and information network resources. Because it is impossible to anticipate all the ways in which individuals may misuse these resources, this policy focuses on a few general rules and the principles behind them.

This policy applies to the entire user community of the College and to the use of any and all College owned or managed computer-related equipment, computer systems, and interconnecting networks, as well as all information contained therein.

### **211.1 USE OF RESOURCES**

All users are expected to utilize College computing resources in a responsible manner consistent with policies outlined in the TBCC Policy manual and approved by the Board of Education.

The unauthorized use of resources is prohibited and, in many cases, may be violations of the law. Unauthorized use includes, but is not limited, to the following types of activities.

#### **A. Harassment or threats to specific individuals, or a class of individuals:**

- 1. Transmitting unsolicited information that contains obscene, indecent, lewd, or lascivious material or other material which explicitly or implicitly refers to sexual conduct.**
- 2. Using e-mail or newsgroups to threaten or stalk someone.**
- 3. Transmitting unsolicited information that contains profane language or panders to bigotry, sexism, or other forms of prohibited discrimination.**

#### **B. Interference or impairment to the activities of others:**



Article No.: 211

Approved: *Pending*

Reference: Articles 208, 209, 316 and 322

1. **Creating, modifying, executing, or retransmitting any computer program or instructions intended to: (a) obscure the true identity of the sender of electronic mail or electronic messages, such as the forgery of electronic mail or the alteration of system or user data used to identify the sender of electronic e-mail; (b) bypass, subvert, or otherwise render ineffective the security or access control measures on any network or computer system without the permission of the owner; or (c) examine or collect data from the network (e.g., a "network sniffer" program).**
2. **Allowing unauthorized persons or organizations to use user computer accounts or TBCC network resources. Users are responsible for the appropriate use of all College computer access and accounts assigned them and must take all reasonable precautions, including password maintenance and file protection measures, to prevent unauthorized use. Users must not share passwords with anyone else or provide access to network resources to unauthorized persons.**
3. **Communicating or using any password, personal identification number, credit card number, or other personal or financial information without the permission of its owner.**

**C. Unauthorized access and use of the resources of others:**

1. **Use of College computer resources to gain unauthorized access to resources of this or other institutions, organizations, or individuals.**
2. **Use of false or misleading information for the purpose of obtaining access to unauthorized resources.**
3. **Accessing, altering, copying, moving, or removing information, proprietary software or other files (including programs, libraries, data, and electronic mail) from any network system or files of other users without prior authorization (e.g., use of a "network sniffer" program).**
4. **Making unauthorized copies of copyrighted materials. Users should assume all software, graphic images, music, and the like are copyrighted. Copying or downloading copyrighted materials without the authorization of the copyright owner is against the law, and may result in civil and criminal penalties, including fines and imprisonment.**

**D. Damage or impairment of College resources:**

1. **Use of any resource irresponsibly or in a manner that adversely affects the work of others. This includes intentionally, recklessly, or negligently (a) damaging any system (e.g., by the introduction of any so-called "virus," "worm," or "trojan-horse" program), (b) damaging or violating the privacy of information belonging to others, or (c) misusing or allowing misuse of system resources.**



Article No.: 211

Approved: *Pending*Reference: Articles 208, 209, 316 and 322

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2. Use of College resources for non-College related activities that unduly increase network load (e.g., non-business or -education related email, chain mail, network games, and spamming).

**E. Unauthorized commercial activities:**

1. Using College resources for one's own commercial gain, or for other commercial purposes not officially approved by the College, including web ads.
2. Using College resources to operate or support a non-College related business.
3. Use of College resources in a manner inconsistent with the College's contractual obligations to suppliers of those resources or with any published College policy.

**F. Violation of city, state, or federal laws:**

1. Pirating software, music, and images.
2. Effecting or receiving unauthorized electronic transfer of funds.
3. Disseminating child pornography or other obscene material.
4. Violating any laws or participating in the commission or furtherance of any crime or other unlawful or improper purpose.

**211.2 WHEN INAPPROPRIATE USE OF COMPUTER RESOURCES OCCURS**

The use of College resources is a privilege. The resources have always been, and will remain, the property of the College.

It is each user's responsibility to promptly report any violation of this policy to the Dean of Administrative Services.

Reports of unauthorized use or misuse of computer resources will be investigated pursuant to standard College procedures. All illegal activities will be reported to local, state, or federal authorities, as appropriate, for investigation and prosecution.

While the College desires to maintain user privacy and to avoid the unnecessary interruption of user activities, the College reserves the right to investigate unauthorized or improper use of College resources, which may include the inspection of data stored or transmitted on the network. In the event that use is determined to be contrary to College policy or applicable law, appropriate measures will be taken. These measures may include, but are not limited to, permanent or temporary suspension of user privileges, deletion of files, disconnection from the





Article No.: 211

Approved: *Pending*Reference: Articles 208, 209, 316 and 322

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**TBCC network, referral to student or employee disciplinary processes, and cooperating with the appropriate law enforcement officials and government agencies.**

### **211.3 INFORMATION ON APPLICABLE LAWS AND STATUTES**

**All users of the College computer and information resources are expected to be familiar with and to abide by College policies, as well as local, state, and federal laws relating to electronic media, copyrights, privacy, and security. As a condition of being granted internet and network access, employees of the College complete and sign a user agreement affirming an understanding and intention to abide by these acceptable use guidelines.**

### **211.4 QUESTIONS RELATING TO THIS POLICY**

**The examples of unauthorized use set forth above are not meant to be exhaustive. Whenever in doubt regarding an issue of questionable use, it is in the user's best interest to resolve the issue before pursuing any questionable use of College computing resources. Questions of appropriate use should be addressed to the Dean of Administrative Services.**



Article No.: 311

Approved: *Pending*

Reference: Articles 310.2, 309.4, 312, 313, Appendix A, B, C; Fair Labor Standards Act

**311.1 PAY****A. Salary Schedule/Placement**

1. Salary schedules and placement for all positions exclusive of the President are contained in Appendix A-1, A-2, C-1, and C-3 and shall be reviewed and adopted each fiscal year by the Board of Education.
2. Initial salary placement of each new position shall normally be on the first longevity step of the grade at which the position is classified. The President has the prerogative to authorize initial salary placement on a higher step.
3. Longevity step movement occurs once each year and increments at the beginning of each new contract year provided the employee has completed at least three months of service in the prior contract year. Longevity steps are maintained when an employee is promoted, reclassified, transferred, or reassigned.
4. Temporary full-time or temporary part-time employees shall be paid at the Longevity Step 1 rate for their classification on the salary schedule and no movement shall be granted for longevity.
5. Executive and Management positions are classified as Grade 17 or higher and are exempt for purposes of application of the Fair Labor Standards Act regarding overtime and compensatory time. Professional Support Staff positions classified as Grade 16 or lower are classified as non-exempt for purposes of application of the Fair Labor Standards Act regarding overtime and compensatory time.
6. Placement on the Salary Schedule for Executive and Management positions will be increased one grade for attainment of the Ph.D, Ed.D, or equivalent and reduced one grade for those holding a BS/BA or equivalent degree and two grades for those holding an AA/AS or equivalent degree and three grades for those holding less than an AA/AS or equivalent degree. The President may advance the education factor one level, not to exceed the MA/MS Degree or equivalent for five years of successful experience with the College or at anytime for a comparable certificate or license (i.e., CPA, CMA, etc.) .
7. The President may grant a discretionary increase or decrease of up to three grades and/or steps.

**D. Work Schedule**

1. Non-Exempt Employees.



Article No.: 311

Approved: *Pending*

Reference: Articles 310.2, 309.4, 312, 313, Appendix A, B, C; Fair Labor Standards Act

For full-time employees, the workweek shall be Monday through Sunday, consisting of forty hours during five consecutive days, with eight hours of work each day. With approval of the immediate supervisor and the President, an employee may work forty hours on four consecutive working days, with ten hours of work each day. Part-time employees shall work a schedule designated by their immediate supervisor not to exceed eight hours per day.

2. Exempt Employees.

For full-time employees, the normal workweek shall be Monday through Sunday, consisting of forty hours during five consecutive days. A workweek in excess of forty hours is exempt from overtime compensation. Part-time employees shall work a schedule designated by their immediate supervisor.

3. Rest Periods

The working day for all employees will include either one fifteen minute rest period during each four-hour work period and an unpaid meal period of not less than one-half hour for each eight hours of work; or three ten minute rest periods and an unpaid meal period of not less than one-half hour for each ten hours of work.

E. Overtime Compensation

1. As provided for in the Fair Labor Standards Act and in accordance with state wage and hour law, all overtime for non-exempt employees will be calculated at the rate of one and one-half times the established hourly rate on the salary schedule for time worked in excess of forty hours per week.

### 311.2 **BENEFITS**

- A. The College shall provide all eligible employees as described in the Summary of Employee Benefits Chart contained in Appendix B-1, with a monthly cash stipend, defined in Appendix A-2 and C-1 which shall be reviewed and adopted each fiscal year by the Board of Education, and which shall be of sufficient amount to pay for the **medical** insurance coverage of the employee in at least one of the College-approved group **medical** insurance plans. Any amount of cash stipend provided for insurance in excess of the cost of the employee coverage may be applied to dependent insurance coverage or received as cash compensation.
- B. **For eligible employees as described in A. above, who elect to waive or opt-out of medical insurance coverage, the College shall provide a monthly cash payment, defined in Appendix A-2 and C-1 which shall be reviewed and adopted each fiscal year by the Board of Education, and which shall be equivalent to the difference between the least cost group insurance plan for a single party approved by the College and the monthly**



Article No.: 311

Approved: *Pending*

Reference: Articles 310.2, 309.4, 312, 313, Appendix A, B, C; Fair Labor Standards Act

**cash stipend described in 311.2.A above. The option to waive or opt-out of the College's medical insurance plan is limited to 25% of eligible employees – once that threshold is reached employees will be added to a waiting list and will be allowed to opt-out only as space within the threshold becomes available. In order to waive coverage, employees will be required to complete a "Declination of Coverage" form (available from the Dean of Administrative Services) and provide proof of other equivalent medical insurance coverage.**

- C. The College shall contribute to the Public Employees Retirement System (PERS), for eligible employees, in compliance with PERS Rules.
- D. The College will maintain its required contributions of FICA, Unemployment Insurance, and Workers' Compensation Insurance for all employees.
- E. Tuition Waiver/Tuition Assistance Policy
  - 1. The Board agrees to waive tuition for classes for any: (1) eligible employee, (2) spouse, (3) dependent child under 21, or (4) dependent or unmarried child up to age 24 not eligible for federal financial aid, as described in the Summary of Employee Benefits Chart and the TBCC Tuition Waiver/Tuition Assistance Policy in Appendix B-1.
  - 2. Enrollment in a class by an employee shall not interfere with the employee's regular duties and responsibilities. When job-related courses require absence from work, supervisor approval is required.
  - 3. Employees eligible for a tuition waiver shall be granted a fifteen percent discount on all TBCC Bookstore purchases. Employees may petition in writing to their supervisor for reimbursement of book cost and course fees if the course in which they are enrolled relates directly to their job duties. Petitions for reimbursement must be forwarded to and approved by the College President.
  - 4. Tuition, fees, and admission charges for community education classes and other College functions are not included in this policy statement. Exceptions may be petitioned in writing to the President.
  - 5. Subject to available budgeted funds, Tillamook County General Hospital, YMCA, and other college or university courses which enhance employees' job performance or develop necessary job skills are considered staff and professional development. Regular full-time and regular part-time staff may petition their supervisors in writing for tuition and fee assistance for staff and professional development. Petitions for assistance must be forwarded to and approved by the College President.



Article No.: 311

Approved: *Pending*Reference: Articles 310.2, 309.4, 312, 313, Appendix A, B, C; Fair Labor Standards Act

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**E. Leave (See Articles 312, 313)**

1. As provided for in the Fair Labor Standards Act and in accordance with state wage and hour law, all overtime for non-exempt employees will be calculated at the rate of one and one-half times the established hourly rate on the salary schedule for time worked in excess of forty hours per week.
2. All non-exempt, regular employees will take overtime in compensatory time off, provided that no more than 40 hours of compensatory time is carried forward from one month to the next. A maximum of 40 hours of compensatory time may be carried over from one fiscal year to the next. Hours beyond the maximum and overtime hours for non-exempt hourly (i.e., temporary, on-call) employees will be paid to the employee. Supervisor approval must be obtained before compensatory time is taken.
3. Non-exempt employees shall receive overtime compensation for time worked on a holiday as defined in Article 312.2.
4. During the months of July and August, the College, at the College President's discretion, may establish a workday of ten hours and a workweek of any four consecutive workdays for some or all employees.



Article No.: 407

Approved: *Pending*Reference: **Appendix A-2, B-1, and C-1; Articles 312, 313**

407.1 Tillamook Bay Community College (TBCC) recognizes that quality of learning is dependent upon the quality of the faculty. Therefore, a continued endeavor is made to discover, attract, and hold the best teaching talent available. Consistent with this policy, a full-time and regular part-time faculty salary schedule is adopted (see Appendix C-1), with the Board of Education reserving the right to consider and modify annually this schedule. In the application of this policy, 1.33 quarter or term based credits will be counted as equivalent to one semester credit. Credit must be from a regionally accredited institution.

# 1. Initial Placement on the Salary Schedule

## A. Education and Occupational Experience

1. New occupational faculty without a Bachelor's Degree will be placed on the salary schedule at the BA Step 1 Level upon presentation of an Associate's Degree or at least sixty-four (64) semester hours and, in addition, five years of approved and verified occupational experience.
2. New faculty with a Master's Degree in the field to be taught and no teaching or occupational experience are initially placed on Step 1.

## B. Longevity Credit for Teaching Experience and Occupational Experience Beyond Initial Placement

1. New faculty may receive additional credit for steps on the salary schedule beyond Step 1 upon presentation of approved and verified post-secondary teaching and/or occupational experience in the field to be taught. After initial placement on the salary schedule, applicable teaching or occupational experience may be credited for additional steps as follows:

<u>Prior Teaching Experience</u>	<u>Step Placement</u>
0 to .9 year.....	1
1 to 1.9 years .....	2
2 to 2.9 years .....	3
3 to 4.9 years .....	4
5 to 6.9 years .....	5
7 or more years.....	6
<u>Prior Occupational Experience</u>	<u>Step Placement</u>
0 to 1.9 years .....	1
2 to 3.9 years .....	2
4 to 5.9 years .....	3
6 to 7.9 years .....	4
8 to 9.9 years .....	5
10 or more years.....	6

## C. Education Credit for Professional Growth Beyond Initial Placement



Article No.: 407

Approved: *Pending*Reference: **Appendix A-2, B-1, and C-1; Articles 312, 313**

1. New faculty who hold a Bachelor's or Master's Degree may receive additional credit on the salary schedule for approved and verified graduate semester credits and/or occupational experience. Verified graduate semester credits in the field to be taught will be credited on a one for one basis, to a maximum of thirty (30) graduate semester credits for new occupational faculty with a Bachelor's Degree. New faculty who hold a Master's Degree may be credited with up to sixty (60) verified, graduate semester credits in the field to be taught. For occupational faculty, each additional full year of verified occupational experience in the field to be taught, beyond eleven (11), will substitute for five (5) graduate semester credits. The maximum placement on the salary schedule for a Bachelor's Degree is the MA + Thirty (30), Step Six (6). No more than thirty (30) graduate semester credits will be credited to the salary schedule for occupational experience. Faculty without a Bachelor's Degree cannot be placed beyond the MA column.
  2. New faculty will normally be placed on the schedule through Step 6. The College President may elect to place new faculty at any point on the schedule. Placement beyond the schedule requires approval of the College President and the Board of Education.
2. Advancement Through the Salary Schedule for Professional Growth
- A. Limitations to advancement through the salary schedule
1. Faculty without a Bachelor's Degree will not advance beyond the MA column.
  2. Movement on the salary schedule will not be approved for advancement on the salary schedule in fields other than that for which faculty are under contract with the College. An exception may be granted by the Dean of Instruction and Student Services for an outlined sequence of specific courses leading to a degree or instructor qualification to teach in an additional discipline. Official transcripts must be furnished to the Dean of Instruction and Student Services to verify successful completion.
  3. A maximum of six (6) semester credits of undergraduate course work will be allowed for advancement on the salary schedule. Official transcripts must be furnished to the Dean of Instruction and Student Services to verify successful completion.
  4. Faculty may seek advance approval for a maximum of ten (10) semester credits outside the teaching field to be applied to the salary schedule if these are clearly related to non-teaching assignments, such as curriculum development. Official transcripts must be furnished to the Dean of Instruction and Student Services to verify successful completion.
- B. Conditions for advancement through the salary schedule





Article No.: 407

Approved: *Pending*Reference: **Appendix A-2, B-1, and C-1; Articles 312, 313**

1. All credits for advancement through the salary schedule must be recommended by the Faculty Curriculum Committee and the Dean of Instruction and Student Services and approved by the College President.
2. Graduate credit courses in the major teaching area will be awarded provided the courses are completed and an official transcript is furnished to the Dean of Instruction and Student Services to verify successful completion.
3. Continuing Education Unit (CEU) credits will not be considered for advancement on the salary schedule.
4. Credits applied to the salary schedule for Bachelor's Degree occupational faculty must either be in the instructor's major teaching area or part of an approved Master's program in the major teaching area. An outlined sequence of specific courses leading to the degree, including authorized signatures from the university, must be submitted in advance for approval. Official transcripts must be furnished to the Dean of Instruction and Student Services to verify successful completion.
5. Occupational experience will be credited at a rate of sixty (60) clock hours of employment equivalent to one (1) graduate semester credit to a maximum of thirty (30) graduate semester credits. In order to receive credit, an instructor must submit in advance to the Faculty Curriculum Committee and Dean of Instruction and Student Services a description of the occupational experience to be gained through the employment. Appropriate verification of the occupational experience must be submitted to the Dean of Instruction and Student Services prior to the beginning of the next academic year. Occupational experience will only be credited to faculty whose teaching loads are comprised of at least 75% occupational courses.
6. Credit for academic experience directly related to teaching responsibilities may be awarded using the following guidelines. Prior approval for academic experience is not required; however, documentation must be presented as specified below in order to allow for evaluation for credit to be applied to the salary schedule.
  1. Artistic Activity: Public exhibitions, concerts, dramatic presentations, recitals, productions, performances and poetry/literary readings.
    - a) Art Exhibits: An exhibit must be viewed in a public place such as a museum, art gallery, college, etc. It must be a juried show. Other acceptable activities may include a colloquium on the arts, published art work, performances before a public audience, and jurying.
    - b) Documentation: The event should be documented by media reviews and coverage, regional and national art publications, brochures, programs, and/or letters.





Article No.: 407

Approved: *Pending*Reference: **Appendix A-2, B-1, and C-1; Articles 312, 313**

- c) Credits: One semester credit equals 60 hours of documented activity including preparation time to a maximum of three (3) credits per activity and six (6) total credits.
  - d) Limitations: Vanity gallery, home exhibitions, or home performance are not acceptable.
  - e) Evaluation for Credit: Upon submission of necessary documentation, the Faculty Curriculum Committee and Dean of Instruction and Student Services will evaluate the activity and recommend to the College President the amount of credit to be awarded, if any.
2. Publications and Other Printed Material: The production of such materials as books, book reviews, musical scores, articles, stories, lab books, and handbooks.
- a) Types of Printed Material: Items printed for use at TBCC will be excluded. Printed material must be published in refereed journals, magazines, and other sources recognized and used by faculty in the field or with significant numbers of subscribers. The publication must be appropriate to the faculty person's discipline.
  - b) Documentation: A copy of the printed material.
  - c) Credits: One credit for each sixty (60) hours of documented activity including preparation time to a maximum of three (3) credits per activity and six (6) total credits.
  - d) Limitations: Credit will not be given for unpublished manuscripts. The publication must be appropriate to the faculty person's discipline.
  - e) Evaluation for Credit: Upon submission of necessary documentation, the Faculty Curriculum Committee and Dean of Instruction and Student Services will evaluate the activity and recommend to the College President the amount of credit to be awarded, if any.
7. Non-credit courses that require certification of successful completion prior to faculty being approved to teach the courses may be applied to the faculty salary schedule. In order to receive credit, faculty must submit in advance to the Faculty Curriculum Committee and Dean of Instruction and Student Services a description of the course(s) and the applicability to their instructional responsibility. If approved, credit will be awarded at a rate of sixty (60) clock hours of preparation equivalent to one (1) graduate semester credit to a maximum of fifteen (15) credits. Appropriate verification of the successful completion must be submitted to the Dean of Instruction and Student Services prior to the beginning of the next academic year.



Article No.: 407

Approved: *Pending*Reference: **Appendix A-2, B-1, and C-1; Articles 312, 313**

8. Providing conditions have been appropriately met, payment for approved salary credits will be reflected on the next regular annual contract.

C. Tillamook Bay Community College will provide up to \$200 per semester credit hour tuition and fees reimbursement for each credit hour earned toward movement on the College's faculty salary schedule to a maximum of ten (10) credits annually and thirty (30) credits cumulative. Application for reimbursement must be made in advance of enrollment on the TBCC Professional Development Application Form.

3. Advancement Through the Schedule for Longevity

A. Faculty without a Bachelor's Degree will not move beyond the MA column.

B. Eligible faculty will be advanced through the steps of the salary schedule, usually at the rate of one step per year, for satisfactory performance of assigned duties.

C. Faculty on improvement leave shall continue to advance through the schedule.

D. The College President may hold faculty on step. For exceptional teaching and/or service to the College, the College President may advance faculty more than one step and may also advance faculty beyond the salary schedule in an amount not to exceed 15% of the Master's base salary.

4. Unsatisfactory performance

Pay increases will be withheld for unsatisfactory performance appraisals in accordance with Article 406.3. Pay increases may be granted upon return to satisfactory status without retroactive compensation.

407.2 Pay increases for adjunct faculty

1. Adjunct faculty initial salary placement is Tier 1 of the Adjunct Faculty Salary Schedule.

With the approval of the TBCC Board of Education, based on sufficient funding, and satisfactory performance, adjunct faculty will advance in tier based on the following:

A. Adjunct faculty will move to Tier 2 the July 1 following completion of teaching 500 adjunct faculty contact hours at TBCC. The 500 contact hours must be completed by the end of Spring Term.

B. Adjunct faculty will move to Tier 3 the July 1 following completion of teaching 1,000 adjunct faculty contact hours at TBCC. The 1,000 contact hours must be completed by the end of Spring Term.

C. Adjunct faculty will move to Tier 4 the July 1 following completion of teaching 1,500 adjunct faculty contact hours at TBCC. The 1,500 contact hours must be completed by the end of Spring Term.



Article No.: 407

Approved: *Pending*Reference: **Appendix A-2, B-1, and C-1; Articles 312, 313**

- D. Adjunct faculty will move to Tier 5 the July 1 following completion of teaching 2,000 adjunct faculty contact hours at TBCC. The 2,000 contact hours must be completed by the end of Spring Term.
- E. Adjunct faculty will move to Tier 6 the July 1 following completion of teaching 2,500 adjunct faculty contact hours at TBCC. The 2,500 contact hours must be completed by the end of Spring Term.

#### 407.3 Pay increases for instructional assistants and tutors

1. Instructional assistants and tutors initial salary placement is Tier 1 of the Instructional Assistants and Tutors Salary Schedule.

With the approval of the TBCC Board of Education, based on sufficient funding, and satisfactory performance, instructional assistants and tutors will advance in tier based on the following:

- A. Instructional assistants and tutors will move to Tier 2 the July 1 following completion of 500 instructional assisting or tutoring contact hours at TBCC. The 500 contact hours must be completed by the end of Spring Term.
- B. Instructional assistants and tutors will move to Tier 3 the July 1 following completion of 1,000 instructional assisting or tutoring contact hours at TBCC. The 1,000 contact hours must be completed by the end of Spring Term.
- C. Instructional assistants and tutors will move to Tier 4 the July 1 following completion of 1,500 instructional assisting or tutoring contact hours at TBCC. The 1,500 contact hours must be completed by the end of Spring Term.
- D. Instructional assistants and tutors will move to Tier 5 the July 1 following completion of 2,000 instructional assisting or tutoring contact hours at TBCC. The 2,000 contact hours must be completed by the end of Spring Term.
- E. Instructional assistants and tutors will move to Tier 6 the July 1 following completion of 2,500 instructional assisting or tutoring contact hours at TBCC. The 2,500 contact hours must be completed by the end of Spring Term.

#### 407.4 Community Education and Continuing Education Faculty Compensation

1. Community Education and Continuing Education Instructors are hired on a short-term contractual basis and receive as compensation 50% of the course or workshop tuition (excluding fees) revenue of the courses they teach. The Dean of Instruction and Student Services may guarantee a minimum enrollment level of compensation in continuing education



Article No.: 407

Approved: *Pending*Reference: **Appendix A-2, B-1, and C-1; Articles 312, 313**

courses in order to support a degree or certificate program or meet a community occupational training need.

2. Community and Continuing Education Faculty receive no employee benefits except as required by law.
3. Pay increases for Community and Continuing Education Faculty will be solely based on tuition increases or enrollment increases in the courses or workshops they teach.

#### 407.5 Benefits

1. The College shall provide all eligible employees as described in the Summary of Employee Benefits Chart contained in Appendix B-1, with a monthly cash stipend, defined in Appendix A-2 and C-1 which shall be reviewed and adopted each fiscal year by the Board of Education, and which shall be of sufficient amount to pay for the **medical** insurance coverage of the employee in at least one of the College-approved group insurance plans. Any amount of cash stipend provided for **medical** insurance in excess of the cost of the employee coverage may be applied to dependent insurance coverage or received as cash compensation.

**For eligible faculty as described in 1. above, who elect to waive or opt-out of medical insurance coverage, the College shall provide a monthly cash payment, defined in Appendix A-2 and C-1 which shall be reviewed and adopted each fiscal year by the Board of Education, and which shall be equivalent to the difference between the least cost group insurance plan for a single party approved by the College and the monthly cash stipend described in 311.2.A above. The option to waive or opt-out of the College's medical insurance plan is limited to 25% of eligible employees – once that threshold is reached employees will be added to a waiting list and will be allowed to opt-out only as space within the threshold becomes available. In order to waive coverage, employees will be required to complete a "Declination of Coverage" form (available from the Dean of Administrative Services) and provide proof of other equivalent medical insurance coverage.**

2. The College shall contribute to the Public Employees Retirement System (PERS), for eligible employees, in compliance with PERS Rules.
3. The College will maintain its required contributions of FICA, Unemployment Insurance, and Workers' Compensation Insurance for all employees.
4. Tuition Waiver/Tuition Assistance Policy
  - A. The Board agrees to waive tuition for classes for any: (1) eligible employee, (2) spouse, (3) dependent child under 21, or (4) dependent or unmarried child up to age 24 not eligible



Article No.: 407

Approved: *Pending*Reference: **Appendix A-2, B-1, and C-1; Articles 312, 313**

for federal financial aid, as described in the Summary of Employee Benefits Chart and the TBCC Tuition Waiver/Tuition Assistance Policy in Appendix B-1.

- B. Enrollment in a class by an employee shall not interfere with the employee's regular duties and responsibilities. When job-related courses require absence from work, supervisor approval is required.
- C. Employees eligible for a tuition waiver shall be granted a fifteen percent discount on all TBCC Bookstore purchases. Employees may petition in writing to their supervisor for reimbursement of book cost and course fees if the course in which they are enrolled relates directly to their job duties. Petitions for reimbursement must be forwarded to and approved by the College President.
- D. Tuition, fees, and admission charges for community education classes and other College functions are not included in this policy statement. Exceptions may be petitioned in writing to the President.
- E. Subject to available budgeted funds, Tillamook County General Hospital, YMCA, and other college or university courses which enhance employees' job performance or develop necessary job skills are considered staff and professional development. Regular full-time and regular part-time staff may petition their supervisors in writing for tuition and fee assistance for staff and professional development. Petitions for assistance must be forwarded to and approved by the College President.



## Facilities

### **RECOMMENDATION**

For information only – no action requested

### **BACKGROUND INFORMATION**----- President Orr

#### **New Facilities in North, Central, and South Tillamook County**

The following is a listing of events and activities designed to share information about the bond measure.

- The first meeting of the TBCC Yes Campaign Committee was held on December 15. The next meeting is scheduled for January 19, 2006.

#### **First St. Campus Remodeling Project**

The project is moving forward and is on schedule. A tour of the work-to-date is available after the meeting.



**Tillamook Bay Community College**

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## Personnel

### **RECOMMENDATION**

For information only – no action requested.

### **BACKGROUND INFORMATION**----- President Orr

1. The following information reflects the current status of open full-time and regular positions.

Position Title	Application Review Begins	Start Date	Comment	Screening Committee	Appointment
ESL Instructor (half-time regular position)	June 30, 2005	January 9, 2006	Position Filled	Michele Burton, Chair Lori Gates (Ex-Officio) Tom Atchison Kim Cavatorta Diane Miller	David Zahn
Library Director	November 2, 2005	Negotiable	Review of application materials in progress.	Lori Gates, Chair Fred Bennett Kari Manning Sara Charlton	None
Literacy Program Coordinator	Pending	Pending	Updating the Position Inventory in preparation for advertising the position.	Pending	None

2. An executive session is requested to confer with Legal Counsel and review personnel performance.



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## Announcements and General Information

### **RECOMMENDATION**

Information only—no action requested.

### **BACKGROUND INFORMATION**----- President Orr

- January 9 is the beginning of Winter Term classes and enrollment data as of the first day of the term will be available at the meeting.
- A tour of the work completed-to-date on the current remodeling project is available for those interested in participating.



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