

Mt. Hood Community College

2022-23 Hearing Minutes

Wednesday, June 15, 2022

Via Zoom

6:30 pm

Present:

TSCC:

Chair Harmony Quiroz, Commissioner Mark Wubbold, Commissioner Margo Norton, Commissioner Matt Donahue, Executive Director Allegra Willhite, and Budget Analyst Tunie Betschart

Absent: Commissioner James Ofsink

Mt. Hood Community College:

Board of Directors: Chair Annette Mattson, Vice Chair Andrew Speer, LaVerne Lewis, Diane McKeel, Kenney Polson, Marie Teune, and Diane Noriega

Staff: College President Dr. Lisa Skari, Vice President of Finance and Administration Jennifer DeMent, Vice President of Student Development John Hamlin, Dean/Athletic Director Dr. Kim Hyatt, Aquatics Manager Andrew Jackman, and Associate Vice President of Facilities, Public Safety and Risk Management Charles George

Chair Harmony Quiroz opened the public hearing by welcoming everyone to the hearing and briefly describing the duties and responsibilities of the TSCC. She reviewed the hearing process and stated the reason for the hearing was to engage the district leadership and provide an opportunity for the public to comment before Mt. Hood Community College adopts its budget. She asked TSCC Commissioners and staff to introduce themselves and state if they have business relationships with the college that could be perceived as a conflict of interest. Each commissioner and staff member introduced themselves and stated they had no conflict of interest with the college. She asked the college to introduce the board members and staff present.

Following introductions, Chair Quiroz acknowledged the district's receipt of the Distinguished Budget Presentation Award from the Government Finance Officers Association for the 2021-22 fiscal year Adopted Budget. She congratulated the college on receiving this award for the second consecutive year. Then she asked Dr. Liza Skari if she wanted to make brief introductory remarks about the budget. Following Dr. Skari's introductory remarks, testimony from the public would be taken.

Dr. Skari said they are still wrestling with the impacts of COVID, now with the hot employment market and higher-paying jobs impacting enrollment. State support for the college is stable with the second year of the biennium. The college is making investments to reverse declining enrollment. The upcoming course schedule is focused on student success and preferred student modality. The college has made investments to further the diversity, and equity goals, improve retention and strengthen operations. She said the budget includes investment in capital projects made possible by leveraging fund balance and federal and state grants to access the legislatively approved \$8 million in state capital construction funds.

Dr. Skari said the board members and staff welcome the conversation around the college's budget.

Chair Quiroz asked if anyone signed up to give public comment, stating each who wished to comment would be limited to three minutes. Executive Director Willhite reported that there were no one signed up to speak at this hearing, and no written comments were received.

With that, the commissioners started their questions.

TSCC Questions:

Commissioner Norton asked the following questions:

Our first few questions will address a topic that is likely top of mind for all of you - enrollment. To start, what can you tell us about the enrollment projections for the future? How are you planning to address declining enrollment? At what point will you need to consider further cuts to services if enrollment does not return to pre-pandemic levels?

Dr. Skari responded, saying the college took a conservative approach to forecasting enrollment and has developed a budget based on the decline. Never before has the college experienced an environment marked by smaller graduating high school class sizes, increased access at the university, and low unemployment with entry-level wages above minimum wage. This cluster of conditions made the college rethink its approach and goals.

Mt. Hood Community College has had an increase in applications and new students for summer, and the district hopes this is signaling a return to campus. The college has expanded apprenticeship offerings, resulting in new enrollments next year. The recent approval for an applied baccalaureate degree in cybersecurity represents a future expansion into a new market in 2024. The college has been developing a strategic enrollment plan centered on retention. Keeping students enrolled will increase numbers while improving student success.

Dr. Skari said they are keeping an eye on revenues and expenditures. Suppose fall enrollment continues declining and there has been no improvement in retention numbers from fall to winter. In that case, they will be making adjustments in the budget planning cycle for 2023-24, which commences in early 2023. The college will continue to look at the offerings and how to connect with the community and find new markets.

Could you give us a little more information on the apprenticeship programs? Many of the districts we have met with are involved in construction projects. They mentioned that they are relying on apprenticeship programs. Do you have concrete enrollment evidence that the apprenticeship program will be expanding?

Dr. Skari explained they partner with a training center. They do their part, and the on-the-job training—the college supplements with some of the courses and classroom instruction. The college has identified the partnership and will be moving forward with the classes they will be offering.

Commissioner Donahue asked the following question:

With declining enrollment expected again in the upcoming budget and into the future, you have continued to balance the budget with one-time money and fund balance. The federal funds are likely to end. What is your long-term financial plan?

Ms. Jennifer DeMent answered, saying the college made significant reductions in the expenditures in the 2019-20 budget. These reductions positioned the college well pre-pandemic to have more flexibility while enduring the pandemic and its associated changes. Over the past couple of years, the college has not had an operating deficit. The federal funds have helped, and not having anyone on campus, lowered expenses added to their ability to build up the fund balance. She said a portion of the one-time-only funding is going towards capital projects, a "one-time-only" expense. The federal dollars have helped with the lost revenue over the past couple of years.

The college has invested in the upcoming budget designed to improve retention, stabilize, and restore enrollment. As the district plans for the 2023-2025 biennium and beyond, it will need to balance the expenditures to reflect the enrollment. The college has experienced a 32% decline in full-time equivalent enrollment over the past five years. Mt. Hood Community College is a different size college than it was five years ago. They are beginning to investigate what Mt. Hood would look like as a smaller institution.

Ms. DeMent said the first step would be to work with the board and the campus community to establish principles and guidelines to approach expenditure reductions in a thoughtful way that supports student success.

Commissioner Wubbold asked the following questions:

We see that part of the Strategic Enrollment Plan is retention. What is the current retention rate for students, and what is the goal? How will you be reporting progress towards this goal, and at what point do you recalibrate if strategies aren't working? How are you tracking and reporting the improvement to the board and community? What will prompt your rethinking your strategy?

Mr. John Hamlin said the development of the Strategic Enrollment Plan focuses on several essential aspects of enrollment, such as recruitment, retention, student success, and beyond, including career and alumni aspects of the relationship with students. The college has identified focus areas of work associated with these themes, including Increasing Financial Aid Applications and Student Financial Literacy, Student Basic Needs, Advising, Early Alerts, Communications Brand Marketing, Student Employment, On-Boarding, and Building a Sense of Belonging. Retention is woven into the core of each of these areas as MHCC recognizes all aspects of its interactions impact it.

He went on to say he would focus specifically on two particular aspects of the plan in which retention is centered.

- First, the college identified a need for a communications audit throughout the plan's development. The audit will reveal numerous aspects of communications, from marketing and recruitment communications to financial aid, financial literacy, advising, and retention. The audit will evaluate each component of the communications, timing, context of the message, and effectiveness of messaging and help the college further understand the impact and role that communications play in student enrollment and retention. A better understanding of the role and the effect of timely communications can improve communication effectiveness with students.
- Secondly, using Financial Aid applications and Financial Literacy as an example, both access and retention of financial resources play a vital role in student enrollment, retention, and overall success. Through the Strategic Enrollment Plan, the college plans to improve

and increase communication, support, and financial literacy work to ensure students become better consumers regarding financial aid.

Mr. Hamlin said as for how will the college adjust or modify the plan to adapt to changes, this plan is being developed as a 5-year plan. Throughout the timeline, there are regular measurable momentum points to ensure the college is on track with the established goals and that the investments made result in improvement in enrollment and retention. MHCC will adjust targets and approaches to ensure each initiative is improving. As seen with the pandemic, student behaviors have changed. This process will help the college stay current and innovative in its approach and impact.

What about the recruitment side of the coin? What are your strategies to find new students, and how are those going?

Mr. Hamlin said students are found in various places, the easiest being the K-12 partnerships. However, that pipeline is shrinking. The college has developed some employer partnerships: a preferred partner with Amazon and an apprenticeship partnership. Through the communications audit, they expect to learn how the marketing advertising strategies and communications relate to recruitment and retention and how the college needs to modify the process. They will focus on how MHCC can attract and retain students.

Will someone within the college perform the audit, or will you hire an outside auditor?

Mr. Hamlin said they would hire a consultant to do the communications audit.

Commissioner Norton asked this follow-up question:

What are the top two reasons you lose students?

Mr. Hamlin said that the top two reasons institutions lose students are time and money. Financial resources are substantial right now. Many high school students already have full-time employment. During the "gap year," they are planning on being employed. MHCC wants to partner with employers and have employees attend classes simultaneously. The value of classes is changing; this is where Mt. Hood Community College is trying to get ahead of the curve.

Chair Quiroz asked the following questions:

Board members, we know the college is in the process of developing a new strategic plan. What progress was made in the last year? How does the strategic plan tie into the academic, enrollment, and capital plans?

Ms. Annette Mattson reviewed the process, saying they started the public planning process last fall, collecting data through interviews, focus groups, and surveys. This was followed by faculty, staff, and students taking that data, developing an equity statement, and rebuilding goals and objectives. The college has also involved internal and external stakeholders. They received the drafts and provided final feedback. The board is targeting July to finalize the Vision, Mission, and Values.

Ms. Mattson said regarding integrating this plan with other plans, the Strategic Plan will be the approved, college-wide blueprint to set priorities and direction for the next three to five years.

The plan will have objectives that focus on academics, enrollment, facilities plan, and their successful integration. The sub-plans are more operational.

Commissioner Norton asked this follow-up question:

Could you, Diane McKeel, and Diane Noriega share with us the most surprising thing you have found while serving on this committee due to the focus groups and other interactions with the community?

Ms. Noriega said the most surprising was that there were no surprises. All community members were engaged, and the committee heard just what they were expecting to hear. There was consistency in the concerns of the community members and students. She said she is impressed with how inclusive the process was and that it has engaged all community members.

She said they started by working on the Equity Statement and creating an equity lens for all decision-making on campus. They received the Community College National Award for their efforts with equity.

Ms. Diane McKeel said she agreed with Ms. Noriega's observations. She said she is looking forward to seeing the results of the closed survey. Working with all stakeholder groups has been exciting and encouraging, seeing their interest in putting this plan together.

Commissioner Wubbold asked the following questions:

First, congratulations on reopening the Aquatic Center - the community and the college must be very excited to have this great facility back up and running. Transfers from the General Fund have long supplemented the aquatics program. With declining enrollment putting pressure on existing dollars, is there any concern that funding the program at current levels will become unsustainable? What's the long-term plan for funding the aquatics program?

Mr. Andrew Jackman answered by saying there are three primary areas the college is focusing on when addressing the fiscal viability at the Aquatics Center:

- **Program Evaluation:** Priority will be placed on critical college and community programs with a strong cost recovery mechanism. The primary examples are swimming lessons, rental groups, large events, and swim meets. Pool space and staff time will be prioritized for use in these areas.
- **Fundraising Strategies:** MHCC is partnering with the Gresham Area Chamber of Commerce and local businesses to raise support for the aquatics center infrastructure projects and fund programs. This center will bring many visitors to the area to compete in swim events.
- **Increase fees for facility users and events:** The Aquatics Center has raised fees to offset some of the increased costs of staffing, equipment, and maintenance. The MHCC Foundation Board has recently approved providing financial aid from fundraised funds for swim lessons to financially needy community members, so that raised fees do not price out anyone from this critical service. They will continue to analyze the costs to ensure they reflect fiscal needs while being equitable and affordable for the community.

He concluded by saying they will continue to attempt to bring down the level of subsidy needed for the aquatic center. He feels privileged to be a part of the college's aquatics program and to

see kids back in the aquatic center.

There is a deficit of lifeguards in the area. Does the aquatic center have an academic component to it? Is lifeguard training and certification for lifeguards offered at the college?

Mr. Jackman said the college offered an academic component when the center was open. Some high school students are training to become lifeguards and hopefully will soon become Mt. Hood Community College students. He said they are planning for lifeguard classes in the future once staffing is in place

Commissioner Norton asked the following questions:

We see that the MHCC plans for capital improvements and deferred maintenance in the upcoming year and that the college has secured half of the needed funding from the state, a great opportunity for which we offer our congratulations - we've been talking with you about the backlog in maintenance for several years. We're very excited to hear about this progress. What is the long-term plan for addressing ongoing maintenance costs in the future?

Mr. Charles George said MHCC is grateful for the funding to start on the capital projects. Several were critical for accreditation, ADA, and building envelope protection. He described the following projects that fit this description.

- Dental Hygiene Accreditation Required Remodel is critical for maintaining accreditation and is currently bidding, with a bid walk scheduled for next week. This is a complete remodel of the Dental Hygiene Clinic, associated labs, and rooms. The project will start in July and will be completed as quickly as possible, targeting availability for the fall term.
- Student Diversity and Equity Center is being studied for space layout and college functions that best serve students and help with retention. They are anticipating availability in that resource center for the fall term and expanding offerings during or towards the end of the fall term.
- Campus ADA Elevator Modernization involves the library elevator. This replaces the original elevator on campus that provides a majority of ADA accessibility which was experiencing regular malfunctions. This project starts Monday, June 20th.
- Parking Lot ADA accessibility and upgrades have been a focus of the College. They will finish the final repair and inspections this week.
- Four campus roofs in the General Education complex are targeted for this fall to maintain building envelope integrity.

He said these programs focus on enrollment, accessibility, diversity, equity, and inclusion. They will continue to update the prioritized list for additional projects. Some things that have been done to maximize dollars are bundling projects like roofing projects. They are also maintaining a strong routine maintenance schedule to ensure the lifetime of equipment and facilities. They will continue updating the scope of accomplishment as they move forward with the available funds.

For those projects that you have been able to place under contract, were you able to draw a good pool of bidders, and were there any price concerns given the current construction market?

Mr. George said it had been a mixture, depending on the service. There has been a strong pool of

vendors that want to participate in the work on the Dental Lab. In some other projects, like the outdoor pool cover and other maintenance projects, they received no bids. The college had to extend the bidding timeline. The roofing projects were undoubtedly a surprise due to the cost of oil increasing, causing the costs for roofing materials to increase substantially.

Mr. George reported that the college bid many projects out early, getting materials staged at the college, locking in prices, and avoiding some sticker shock down the road. Price increases are a concern.

Commissioner Donahue asked the following question:

We know how much inflation impacts all parts of the economy, and construction projects certainly are not immune. Do you have a prioritized list for these capital projects if costs increase and not enough dollars are available to do them all?

Mr. George responded by saying the college has been using the following tactics to control the cost of inflation:

- Securing bids early and contracting to lock in prices
- Self-ordering equipment and cabinetry, where possible, preventing delays and pricing increases
- Revamping the currently facility-focused list of projects to include information gained from the enrollment study and the instructional plan to fine-tune the priority list, further working on the projects that will have the most impact and benefit the college

Chair Quiroz asked the following questions:

We remember discussions about MHCC using federal funds to support students with new services to address all aspects of their lives, beyond just academic needs, such as food insecurity, financial planning, and mental health. Do you feel there is now an expectation to provide such services, and if so, how will you plan to maintain them? Without ongoing federal support, what is the plan for programs of this type?

Mr. John Hamblin responded, stating MHCC has stepped up fully in offering better support for students' basic needs. The college has received considerable quantitative and qualitative data to attest that supporting basic needs has positive implications for keeping students enrolled and on track to meet their educational goals. The college addresses food, housing, technology, transportation, utilities, and is building capacity to support childcare.

Last year MHCC received the federal IREPO (Institutional Resilience and Expanded Postsecondary Opportunity) grant to support building the basic needs infrastructure. They have also signed on with partner organizations for continuous capacity building and ongoing support with Amazon, Oregon Food Bank, and Imperfect foods to supply the food pantry. The college has partnered with College Housing Northwest and the Affordable Rents for College Students for housing support and transition. MHCC is establishing partnerships for childcare, internally with Head Start and Childcare Resource and Referral, and externally with care providers. They have used a considerable amount of the federal grant dollars to buy loaner laptops and partner with the IT Department for maintenance and technology support.

MHCC has also received funding to re-design the college bookstore into an equity center to house programs supporting student basic needs, staff, and resources in a more prominent and student-friendly location.

The ongoing financial support from the state has funded a full-time benefits navigator through HB 2835. It uses Pathways to Opportunity funds to ensure the work of connecting students to benefits and basic needs resources continues. There is a growing body of knowledge to make a case for basic needs as an enrollment and retention effort. Thus the college must prepare to use limited General Fund dollars to provide continued staffing support to stretch grant dollars to their maximum effectiveness. The college is currently funding the full-time Director of Student Basic Needs. Mt. Hood Community College will continue pursuing grant opportunities to support this work, especially as the demographic shifts at the college, moving closer to the designation of a minority-serving institution. This will open up greater opportunities to fund support for historically-excluded groups through the student essential needs ecosystem.

Commissioner Wubbold asked this follow-up question:

You touched on child care. Child care is critical for parents attending college. In talking to Portland Public Schools, we asked about Preschool for All. If you have sites in your schools, they are potentially a pipeline into schools. Can we get more information on the child care offered at MHCC?

Ms. DeMent responded by saying they have a Head Start and an Early Head Start program that supports families from pregnancy to kindergarten. Then there is a child resource and referral through Multnomah County that provides training, education, and placement service for child care providers and parents. The college is in what they call the Child Care Dessert. There are no providers. So the college has started mapping out the available resources, the barriers to the resources, and offering early childhood education programs. There are several programs for training and development to get people into the childcare fields. The wages aren't excellent, so no one is willing to work in this area. The college is looking at ways to connect all of the services from pregnancy through the Head Start program.

Chair Quiroz thanked the college for the discussion and contributions during the hearing. Then she closed the hearing and opened a regular meeting of the Tax Supervising and Conservation Commission to certify Mt. Hood Community College's 2022-23 Approved Budget. She asked if the commissioners had any questions or comments to make concerning the Budget.

Commissioner Norton thanked Director LaVerne Lewis for her attendance. She said Ms. Lewis serves on the TriMet board and was present at the first 2022 hearing TSCC held to discuss TriMet's budget, and she is serving on the Mt. hood Community College Board and is joining us at this, our last hearing of the 2022-23 Approved Budget season. She thanked her for her service to the community.

Chair Quiroz checked again to see if anyone had signed up to comment. No one had signed up to give testimony.

She asked that Executive Director Allegra Willhite give staff recommendations for the certification letter.

Ms. Willhite said staff found the Budget estimates reasonable for the purposes stated and the Budget to comply with Local Budget Law. She said staff have no recommendations or objections to the fiscal year 22-23 budget. She thanked Mt. Hood Staff for their quick responses and willingness to answer questions.

Chair Quiroz called for a motion.

Commissioner Wubbold moved to certify the Mt. Hood Community College Approved Budget with no recommendations or objections as recommended by staff. Commissioner Norton seconded the motion, which passed with a unanimous vote of the commissioners.

There being no other business, Chair Quiroz closed the meeting.