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Hakanson ponders possible fiscal fiasco

By David Hayden
Of The Print

For College President John Hakanson, passage of the College's serial levy on March 31 is resolution of only a small part

of a funding problem that may greatly change the College and the way it serves the community.

"I think we'll get along well the first year (1981-82)," Hakanson said. "After that,

we'll be facing tighter and tighter budgets. For '82 (1982-83), I would expect to see some pretty severe program cuts unless the state comes through with more funding than expected."

Four major factors have contributed to the College's deteriorating financial position: difficulty in securing funds from the College tax district, repeated cuts in state aid to community colleges, growing student enrollment and the effects of inflation.

Although it isn't a cure for the College's funding problems, the recently passed three-year serial levy will keep the College open and operating. It passed after two other tax proposals (a tax base and a three-year construction levy and operating levy) failed. Passage of the latest levy assures that the College will stay open, but doesn't allow for any growth, and may force cuts in programs considered by many to be vital.

"One of the reasons we received voter support with this levy is the elimination of the construction levy," Hakanson said. Without funding, from the district or the state, no construction can be expected.

The livestock facility, already budgeted for in the current construction levy, is the last new building planned at this time.

"There are funds left in the current construction budget," Hakanson said. "It's one possible source for funds to help cushion the '81-'82 budget."

"The big unanswered question at this time is state fund-

ing," Hakanson suggested. Although the state's revenue to the College is currently budgeted at \$3,799,000, it's likely that the state will continue recent trends and reduce it further.

The first sign of reduction in state aid came in the 1979-80 state appropriations, which limited the enrollment increase the state would subsidize to 2 percent in 1979 and 2 percent in 1980. During 1979-80, the College had an actual growth rate of 8 percent, and 9 percent in 1980-81. Any growth over the state's limit has had to be supported by the College without the usual assistance from the state.

The second cut in state funding came September 1980. State revenue shortages resulted in a \$300,000 cut in funds from the 1980-81 College budget.

The third round of cuts came in the governor's 1981-83 budget proposal. It allowed no funding for growth in community college enrollment, despite the governor's official expectation of expansion.

College administrators received notice, although not official, at an Oregon Community College Association meeting Feb. 20, that an additional 10 percent cut in state aid is likely. If 10 percent is the figure, and many believe it will be higher, it would mean a loss of \$405,000 to the College for 1981-82.

"The governor has proposed several bills to increase state revenue," commented Hakanson. "His proposed budget is dependent upon all of the pro-

posals passing the legislature. If one or more doesn't, we will face additional cuts. We're assured of losing part of our budget, 10 percent is an estimate."

The "catch 22" of the situation, though, is the state position on construction funds. Although Clackamas is ranked second behind Rogue Community College for state funds for construction, the governor has no money budgeted for it.

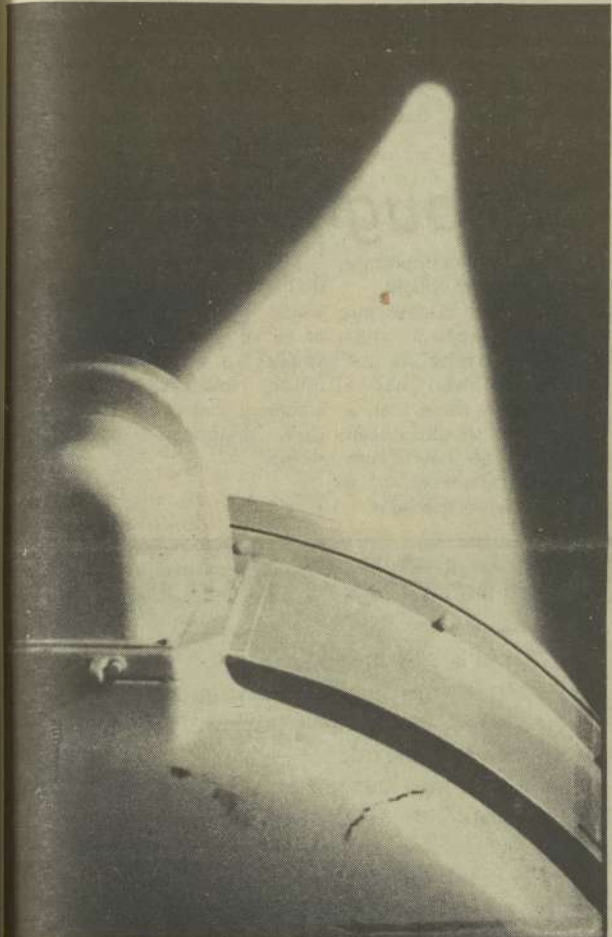
Considering the problems in gaining funds for the College, the conclusions are simple. Within the next few years, the College will not only have to reduce spending in many areas, it also may have to eliminate programs, limit enrollment and raise tuition.

"What would you do?" Hakanson asked. "You have to find a way to limit student enrollment so your present faculty won't be overloaded."

An option the Board may have to consider is closing enrollment. A college closes enrollment when it sets a limit on how many students it will allow to enroll, and then refuses any admissions applications after that.

"It's totally foreign to the idea of a community college," Hakanson said. "One possible solution is to increase tuition. If tuition was \$1,000, we wouldn't have a problem with enrollment," Hakanson illustrated.

"The funding problem is not going to go away next year, or the year after. It is something that we're going to have to live with on a long-term basis," commented Hakanson.



Staff photo by Duffy Coffman

The spotlights are preparing as the Drama Department's "The Odd Couple" aims for rehearsal. Details on page 3.

Presidential memo spells out pecking order

By Rick Obritschkewitsch

The College levy was passed in a special election on March 31, but before this happened, steps were outlined as to what would take place if the levy hadn't passed. There were mixed feelings among staff about at least one of the steps.

One of the steps that was mentioned in President John Hakanson's Feb. 27 letter to the College staff was that all department heads were requested to prepare lists of staff positions which would have to be eliminated if the College had failed to pass a tax levy by the end of May.

The letter came about after the November tax base proposal and February bid for an operating levy and construction levy both failed.

steps being considered, many of the College employees didn't think it would come down to layoffs.

Staff support union leader Ron Hoodye said, "If the levies don't get passed, the school will already be closed before it comes down to people getting laid off."

Hoodye also stated, "If the levy doesn't get passed until the June election, the school will have to cut down what they're asking for so much that the school may be open by fall, but it won't be the school as we know it—the school will be working from a bare bones budget."

The faculty union leader, Ira Heard, agreed with Hoodye that the College would have closed before a layoff would

stated, "If the levy isn't passed by June, a lot of people can't afford to wait around, and the College will lose a lot of the faculty if the levy isn't passed until fall, and faculty members are asked to come back."

Many of the veteran College employees realized that there have been times in previous years that College levies haven't passed until late elections.

Craig Lesley, a College English instructor, stated, "We had trouble a couple of times before that the levy wasn't passed until late in the school year. I'm convinced that this institution needs to be here, and I hope people realize that. It's possible that it won't be passed until September or October."

Lesley, who has been an in-

years, wasn't planning to be looking for other work even if the College had closed down for the summer session. He said, "It would be a pity if the College were to close down during the summer session because a lot of people need to take classes during that time, such as law enforcement and nursing students."

"I'd stay around and try to get the levy passed—there's always unemployment," continued Lesley.

Kim Faddis, testing secretary, stated, "I would look for another position if the College were to close," to contrast what Lesley had said, "but I would come back if the College were to open again," she added.

Before anyone could be laid

a decision by the College Board. It would have to be determined that that is what is needed to help stretch the budget.

The layoffs would take place according to employee contract language. The support staff, for instance, would be laid off according to seniority, which would mean, the first to be laid off would be employees most recently hired.

The order of layoffs for the faculty would go as follows: first, those faculty members working part-time, then those holding term appointments, and finally those with continuing appointments.

In any case, those faculty members being laid off must be laid off by persons of equal positions, or those in the same

