

## **Budget**

### **Budget Calendar**

The Board will adopt a budget calendar which identifies dates and deadlines required for the legal presentation and adoption of the budget. The President or designee will prepare and recommend a proposed calendar for Board approval. The budget and budget documents may be prepared on an annual or biennial basis.

### **Budget Preparation**

The President has the overall responsibility for budget preparation and will develop such procedures necessary to ensure that the proposed budget reflects all areas of College operation.

The President and administrative staff will establish budget priorities and will make appropriate recommendations related to those priorities to the Board and budget committee.

The budget preparation process is a collaborative exchange of information and proposals which involves department chairs and administrative staff who manage specific budgets, administrative staff responsible for division-wide and college-wide budgets, and staff who organize and document the budget.

The President will deliver the budget message and budget document to the budget committee. The budget message explains the proposed budget and significant changes in the College's financial position.

### **Fund Structure**

All funds will be included in the adopted budget. Funds may be discontinued by being displayed as closed funds in the adopted budget. Funds may be created by being described as new funds in the adopted budget, or by Board resolution during the fiscal year. Only the minimum number of funds consistent with legal and operating requirements should be established because unnecessary funds result in undue complexity and inefficient financial administration.

### **Balanced Budget**

The adopted budget will be balanced for each fund and will remain balanced with any subsequent budget amendments.

### **Budget Committee**

The budget committee meets to receive the budget message from the budget officer (the President) and to review, revise and approve the proposed budget document.

Since the work of the budget committee is usually accomplished in three or four monthly meetings per budget period, it is especially important that budget committee members be regular attendees.

The budget officer shall publish prior notice of each meeting of the budget committee.

### **Budget Hearing**

After the budget document has been approved by the budget committee, a public hearing will be held regarding the budget document. The date, time and place will be determined by the Board. At the hearing, any person may speak about items in the budget document.

### **Budget Adoption Procedures**

After the public hearing on the budget and any modifications of the budget deemed necessary as a result of that hearing are made, the Board will approve the proper resolutions to adopt and appropriate the budget. The Board will determine, make and declare the ad valorem property tax amount or rate to be certified to the assessor for the ensuing budget period, and itemize and categorize the ad valorem property tax amount or rate, as provided in ORS 310.060.

The President will ensure all necessary documentation is submitted to the county assessor's office as required by the Local Budget Law.

The budget estimates and approved ad valorem property tax amount or rate of any fund as shown in the budget document may be amended by the Board prior to adoption. Such amendment may also be made following adoption if the amendments are adopted prior to the commencement of the fiscal year to which the budget relates.

The amount of estimated expenditures for each fund in an annual budget, however, shall not be increased by more than \$5,000 or 10 percent of the estimated expenditures, whichever is greater. The amount of estimated expenditures for each fund in a biennial budget may not be increased by more than \$10,000 or 10 percent of the estimated expenditures, whichever is greater.

The ad valorem property tax amount or rate to be certified shall not exceed the amount approved by the budget committee, unless the amended budget document is republished and another public hearing is held as required by law.

### **Budget Implementation**

The budget, as adopted by the Board, becomes the financial plan of the College for the ensuing budget period.

The President and staff are authorized to make expenditures and commitments in accordance with the policies of the Board and the approved budget.

The President may establish and modify departmental budgets within the appropriation levels adopted by the Board.

The President will make the Board aware of any substantial changes in expected revenues or unusual expenditures so the Board may adjust the budget, if necessary.

**Appropriation Transfers Subsequent to Adoption**

Transfers of appropriations may be made within a given fund when authorized by official resolution of the Board. The resolution will state the need for the transfer, the purpose for the authorized expenditure and the amount of appropriation transferred.

Approved by Presidents' Council: December 6, 2011  
(Date)

## Fundraising Guidelines

### Responsibility

The foundation executive director has overall responsibility for college fundraising efforts, particularly insuring consistency in and coordination among the many efforts that occur throughout the institution. The scope of this regulation includes solicitation of cash and in-kind gifts from individuals and businesses, but does not include activities by student organizations to raise money through events and sale of merchandise.

### Soliciting Gifts

1. Any staff or department involved in soliciting cash gifts will consult with Clackamas Community College Foundation (Foundation) staff prior to seeking gifts. This avoids duplicate and inappropriate contacts and also provides information to staff on potential donors from the Foundation's donor base. All gifts will be solicited and received in the name of the Foundation. Foundation staff can provide assistance in establishing funds for specific purposes.
2. All noncash or in-kind gifts will be solicited in the name of the Foundation, and in most cases, ownership will be transferred to the College. The department being offered the gift has the right to accept or refuse the gift. The Foundation office will provide the necessary forms to the donor and the College department receiving the gift to ensure proper IRS documentation. The donor (not the Foundation) is responsible for establishing the value of the gift.

### Recording Gifts

In the case of cash or in-kind gifts given directly to a department or individual, the recipient will immediately inform the Foundation office. This ensures that the donor will be thanked by the Foundation and that the donation will be entered into the Foundation's donor records.

### Donor Information Base

The Foundation office will maintain a comprehensive donor base, with records of cash and noncash gifts, pledges, and deferred commitments. The donor base will help College staff avoid duplicate contacts and gain valuable knowledge about prospective donors.

Approved by Presidents' Council: December 6, 2011  
(Date)

## Investment Procedures

### 1. Scope

This policy applies to the investment of short-term operating funds and capital funds including bond proceeds and bond reserve funds. Investments of employees' retirement funds, deferred compensation plans and other funds are not covered by this policy.

### 2. General Objectives

The primary objectives, in priority order, of investment activities shall be safety, liquidity and yield:

#### a. Safety

Safety of principal is the foremost objective of the investment program. Investments shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. The objective will be to mitigate credit risk and interest rate risk.

#### (1) Credit Risk

The College will minimize credit risk, the risk of loss due to the financial failure of the security issuer or backer by:

- (a) Limiting exposure to poor credits and concentrating the investments in the safest types of securities;
- (b) Assessing the qualifications of the financial institutions, broker/dealers, intermediaries and advisers with which the College will do business;
- (c) Diversifying the investment portfolio so that potential losses on individual securities will be minimized;
- (d) Actively monitoring the investment portfolio holdings for ratings changes, changing economic/market conditions, etc.

#### (2) Interest Rate Risk

The College will minimize the risk that the market value of securities in the portfolio will fall due to changes in general interest rates, by:

- (a) Structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity;
- (b) Investing operating funds primarily in shorter-term securities or short-term investment pools.

b. Liquidity

The investment portfolio shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated. This is accomplished by structuring the portfolio so that securities mature concurrent with cash needs to meet anticipated demands (static liquidity). Furthermore, since all possible cash demands cannot be anticipated, the portfolio should consist largely of securities with active secondary or resale markets (dynamic liquidity). A portion of the portfolio also may be placed in the Oregon Short-Term Fund which offers next-day liquidity for short-term funds.

c. Yield

The investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the investment risk constraints and liquidity needs. Return on investment is of secondary importance compared to the safety and liquidity objectives described above. The majority of the portfolio is limited to highly rated/low risk securities in anticipation of earning a fair return relative to the risk being assumed. Securities shall not be sold prior to maturity with the following exceptions:

- (1) A security with declining credit may be sold early to minimize loss of principal;
- (2) A security swap would improve the quality, yield, or target duration in the portfolio;
- (3) Liquidity needs of the portfolio require that the security be sold.

3. Standards of Care

a. Prudence

The standard of prudence to be used by investment officials shall be the “prudent person” standard and shall be applied in the context of managing an overall portfolio. Investment officers acting in accordance with written procedures and this investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security’s credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and the liquidity and the sale of securities are carried out in accordance with the terms of this policy.

Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.

b. Ethics and Conflicts of Interest

Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with the proper execution and management of the investment program, or that could impair their ability to make impartial decisions. Employees and investment officials shall disclose any material interests in financial institutions with which they conduct business. They shall further disclose any personal financial/investment

positions that could be related to the performance of the investment portfolio. Employees, officers and their families shall refrain from undertaking personal investment transactions with the same individual with whom business is conducted on behalf of the College. Officers and employees shall, at all times, comply with the state of Oregon Government Standards and Practices code of ethics set forth in ORS 244.

c. Delegation of Authority

Authority to manage the investment program is granted to the vice president of college services, hereinafter referred to as investment officer, and derived from the following: ORS 294.035 to 294.053, 294.125 to 294.145, and 294.810. Responsibility for the operation of the investment program is hereby delegated to the investment officer who shall act in accordance with established written procedures and internal controls for the operation of the investment program consistent with this investment policy. Procedures should include references to: safekeeping, delivery vs. payment, investment accounting, repurchase agreements, wire transfer agreements and collateral/depository agreements. No person may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the investment officer. The investment officer shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinate officials.

4. Safekeeping and Custody

a. Authorized Financial Dealers and Institutions

All financial institutions and broker/dealers who desire to become qualified for investment transactions must supply the following, as appropriate:

- (1) Audited financial statements;
- (2) Proof of National Association of Securities Dealers (NASD) certification;
- (3) Proof of state registration;
- (4) Certification of having read and understood the College's investment policy;
- (5) Certification of agreement to comply with College's investment policy.

An annual review of the financial condition and registration of qualified financial institutions and broker/dealers will be conducted by the investment officer. (See the GFOA Recommended Practice on "Governmental Relationships with Securities Dealers.")

b. Internal Controls

The investment officer is responsible for establishing and maintaining an adequate internal control structure designed to reasonably protect the assets of the College from loss, theft or misuse. The concept of reasonable assurance recognizes that the:

- (1) Cost of a control should not exceed the benefits likely to be derived; and
- (2) Valuation of costs and benefits requires estimates and judgments by management.

Accordingly, the investment officer shall establish procedures which address the following points:

- (1) Control of collusion;
- (2) Separation of transaction authority from accounting and record keeping;
- (3) Custodial safekeeping;
- (4) Avoidance of physical delivery of securities whenever possible and address control requirements for physical delivery where necessary;
- (5) Clear delegation of authority to subordinate staff members;
- (6) Written confirmation of transactions for investments and wire transfers;
- (7) Development of a wire transfer agreement with the lead bank and third-party custodian and implementation of the appropriate safeguards described in the GFOA Recommended Practice on "Electronic Transactions for State and Local Governments";
- (8) Compliance and oversight with investment parameters including diversification and maximum maturities.

c. Delivery vs. Payment

All trades where applicable will be executed by delivery vs. payment to ensure that securities are deposited in an eligible financial institution prior to the release of funds.

d. Safekeeping

Securities will be held by a third-party custodian as evidenced by safekeeping receipts.

e. Pooling of Funds

Except for cash in certain restricted and special funds, the College will consolidate cash balances from all funds to maximize investment earnings. Investment income will be allocated to the various funds to the extent required by restricted revenue sources.

5. Suitable and Authorized Investments

a. Investment Types Consistent with the GFOA Policy Statement on State and Local Laws Concerning Investment Practices, the following investments will be permitted by this policy and ORS 294.035 and 294.810:

- (1) U.S. government treasury securities;
- (2) U.S. government agency securities;



- (3) Corporate notes and commercial paper;
- (4) Bankers acceptances;
- (5) Highly rated municipal debt from Oregon, California, Idaho and Washington;
- (6) Cash equivalents, i.e., bank certificates of deposit, bank money market account;
- (7) Oregon Short-Term Fund.

b. Collateralization

All bank deposits, time deposits, certificates of deposit and savings accounts, shall be held in qualified Oregon depositories in accordance with ORS Chapter 295. Such deposits are designated cash management tools and not investments under this policy or otherwise. ORS 294.035 (11) requires repurchase agreement collateral to be limited in maturity to three years and priced according to percentages prescribed by written policy of the Oregon Investment Council or the Oregon Short-Term Fund Board. On March 12, 1996, the OSTF Board adopted the following margins:

- (1) U.S. Treasury Securities: 102 percent;
- (2) U.S. Agency Discount and Coupon Securities: 102 percent;
- (3) Mortgage Backed and Other\*: 103 percent.

\*Limited to those securities described in ORS 294.035(1)

6. Investment Parameters

a. Diversification The investments shall be diversified by:

- (1) Limiting investments to avoid over-concentration in securities from a specific issuer or business sector (excluding U.S. Treasury securities);
- (2) Limiting investment in securities that have high credit risks;
- (3) Investing in securities with varying maturities; and
- (4) Continuously investing a portion of the portfolio in readily available funds such as the Oregon Short-Term Fund.

b. Maximum Maturities

To the extent possible, the College shall attempt to match its investments with anticipated future cash flow requirements. The maximum maturity shall be the anticipated use of the cash or 18 months, whichever is shorter, unless:

- (1) This investment policy has been submitted to the OSTF Board for comment prior to being approved by the Board and complies with the requirements of ORS 294.135. In this case, the maximum maturity shall be defined in policy.  
OR
- (2) The funds are being accumulated for a specific purpose, including future construction projects, and upon approval of the Board, the maximum maturity date matches the anticipated use of the funds (ORS 294.135(1)(b) and 294.135(3)).

If this investment policy has been submitted for review by the OSTF Board as specified above and in accordance with ORS 294.135(1)(a), debt service reserves may be invested to a

maturity date not exceeding five years. Otherwise debt service reserves shall not be invested to a maturity date exceeding one year.

c. **Maximum Percentages of Investments**

Surplus funds available for investment are those funds not required for immediate expenditure, and include: investments, savings accounts, CDs and OSTF deposits. Balances in checking accounts, negotiable order of withdrawal (NOW) accounts and demand deposit accounts are not considered surplus funds.

**The maximum percentages for investments of surplus funds are as follows:**

Security	Limitation
U.S. government treasury securities	None
U.S. government agency securities	50 percent of the portfolio
Corporate notes and commercial paper	35 percent of the total portfolio, and no more than 5 percent of the portfolio in any single corporate entity
Bankers acceptances	50 percent of the total portfolio, and no more than 25 percent of the portfolio in any single financial institution
Highly rated municipal debt from Oregon, California, Idaho and Washington	50 percent of the portfolio
Cash equivalents, i.e., bank certificates of deposit, bank money market account	None
Oregon Short-Term Fund	None, except the maximum balance imposed by statute

Due to fluctuations in the aggregate surplus funds balance, maximum percentages for a particular issuer or investment type may be exceeded at a point in time subsequent to the purchase of a particular security. Securities need not be liquidated to realign the portfolio, however, consideration should be given to this matter when future liquidations are made.

Because of inherent difficulties in accurately forecasting cash flow requirements, a portion of the portfolio should be continuously invested in readily available funds, such as the OSTF or overnight repurchase agreements, or held in bank balances to ensure that appropriate liquidity is maintained to meet ongoing obligations.

d. Bond Funds

The investment of bond proceeds are restricted under bond covenants that may be more restrictive than the investment parameters included in this policy. Bond proceeds shall be invested in accordance with the most restrictive parameters of this policy and the applicable bond covenants and tax laws.

e. Securities Lending and Reverse Repurchase Agreements

The College shall not lend securities nor directly participate in a securities lending or reverse repurchase program.

f. Bids and Offers

Before any security purchase or sale is initiated, the investment officer shall first determine the appropriateness of seeking competitive bids or offers. Such factors to consider include where the securities are held, the size of the transaction and the term to maturity. Competitive bids and offers shall always be sought for security purchases and sales of bond funds, when tax laws or bond covenants require such action.

7. Reporting

a. Methods

The investment officer have available an investment report that details the current investment portfolio and transactions made. The report will include the following:

- (1) Listing of transactions occurring during the reporting period;
- (2) Listing of individual securities held at the end of the reporting period, including maturity date and call date;
- (3) Average weighted yield to maturity of portfolio on investments;
- (4) Percentage of the total portfolio that each type of investment represents along with the percentages authorized in this policy.

b. Marking to Market

The market value of the portfolio shall be calculated at least monthly and a statement of the market value of the portfolio shall be issued at least monthly. This will ensure that review of the investment portfolio, in terms of value and price volatility, has been performed consistent with the GFOA Recommended Practice on “Mark-to-Market Practices for State and Local Government Investment Portfolios and Investment Pools.”

8. Policy Adoption and Re-adoption

This policy shall be reviewed internally on an annual basis. Oregon Short Term Fund (OSTF) Board review is required only if:

- a. The college elects to invest to maturities described under 6.b. above; and, either
- b. The policy has never been submitted to the OSTF Board for comment; or
- c. Any material changes have been made since the last review by the OSTF Board.

In the event a situation occurs, that is outlined in steps 8.a.-c. above, Clackamas Community College staff would be required to obtain OSTF Board review.

Approved by Presidents' Council: December 6, 2011  
(Date)

## College Involvement in Business Activities

The College has the dual mission of teaching and community services. To carry out this dual mission, it is often desirable for the institution to charge fees for providing goods and services that enhance, promote or support its instructional, public service and other support functions. Educational business activities should be established and conducted only pursuant to, and in accordance with, an authorization and statement of purpose approved by the institution's governing board and/or chief executive officer.

Each educational business activity should meet the following four conditions:

1. The activity is deemed to be an integral part in the fulfillment of the institution's teaching and public services, functions and other educational activities;
2. The activity is needed to provide an integral good or service at a reasonable price, on reasonable terms and at a convenient location and time;
3. The activity is conducted for the primary benefit of the campus community with sensitivity to the total community;
4. The College should consult with employer advisory committees on any career/technical education program whereby it is necessary for the College to operate a business in conjunction with the training program.

END OF POLICY

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**Legal Reference(s):**

[ORS 294.305 - 294.565](#)

## Procurement Requirements

The Board is the Local Contract Review Board (LCRB) for the College. All public contracts shall be invited in accordance with applicable competitive procurement provisions of Oregon Revised Statutes (ORS) and adopted public contracting rules.

The public contracting code (ORS 279) applies to all state agencies and local governments, including the College. The code requires the Attorney General to adopt rules of procedures. These Model Public Contract Rules are in Oregon Administrative Rules (OAR) Chapter 237, divisions 046 through 049. Local governments are subject to the model rules unless they adopt their own. The Board, acting as its own LCRB, has adopted the Community College Rules of Procurement (CCRP) developed by participating Oregon community colleges. The CCRP makes exceptions and clarifications to the model rules that address community college needs. For items addressed in the CCRP, the CCRP prevails over the Model Public Contract Rules.

Where necessary, the Board will approve the written findings required by law for exemptions from competitive bidding. Such findings shall be maintained by the College and made available on request.

The College shall review its rules each time the Attorney General adopts a modification of the model rules, as required by ORS 279A.065 (5)(b), to determine whether any modifications need to be made to College rules to ensure compliance with statutory changes. New rules, as necessary, shall be adopted by the Board. In the event it is unnecessary to adopt new rules, Board minutes will reflect that the review process was completed as required.

The Board recognizes that a public contracting agency that has not established its own rules of procedure as permitted under ORS 279A.065 (5) is subject to the model rules adopted by the Attorney General, including all modifications to the model rules that the Attorney General may adopt.

END OF POLICY

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**Legal Reference(s):**

[ORS Chapters 279A](#), 279B and 279C

OR. DEP'T OF JUSTICE, OR. ATT'Y GENERAL'S MODEL PUBLIC CONTRACT RULES MANUAL.

**Cross Reference(s):**

DJ - Purchasing

## Tuition Waivers

Tuition waivers are available according to Board policy DMA - Tuition and Fees. Tuition waivers in the following categories are to be used for tuition costs only:

1. Employee benefit;
2. Student achievement;
3. Student talent;
4. Employer/Community partner incentive;
5. Student financial need;
6. Fallen Oregon Service Member Benefit;
7. Senior Citizen Audit Program.

Course/student fees and books are not covered by tuition waivers.

### Category Requirements and Criteria

#### 1. Employee Benefit

Employee tuition waivers are available in accordance with employee contracts and Human Resources approval for staff (including retirees, retiree dependents and employee dependents) in support of staff development. Tuition waivers are also extended as an employment benefit to employee spouse/domestic partner and dependents.

#### 2. Student Achievement

Achievement tuition waivers are initiated and awarded by departments, administrators or other recognized college individuals to students for recognition of academic achievement. This includes but is not limited to: CCC Skills Day Competition participants, Adult High Diploma/GED recipients, district high school graduates and Oregon Transfer Module recipients.

Criteria: Recipients must meet the conditions and criteria as stated on the student achievement tuition waiver.

3. Student Talent

Talent tuition waivers are awarded by program directors to selected students that have demonstrated a specific talent. This includes, but is not limited to: athletics, music and performing arts.

Criteria: Students must meet the conditions and criteria as determined by the department as well as the terms of the Student Achievement tuition waiver contract.

4. Employer/Community Partner Incentive

Incentive based tuition waivers are initiated by college administrators and/or departments to employer and community partners in recognition of valued relationships. This includes but is not limited to the Fill a Seat Tuition Voucher initiative and the Clackamas County Sheriff's tuition assistance agreement.

Criteria: Recipients must meet conditions and criteria as stated on the Employer/Community Partner tuition waiver.

5. Student Financial Need

Need based tuition waivers are issued to students that have demonstrated a financial need not covered by federal, state or other outside resources. Students must apply for this waiver through the student financial services office.

Criteria: Students must earn a 2.0 GPA, complete all attempted credits covered by the tuition waiver and meet conditions stated in the tuition waiver contract. Students are eligible for one need based tuition waiver per academic year.

6. Fallen Oregon Service Member Benefit

The fallen Oregon service member tuition waiver benefit is intended to honor Oregon service members and provide their family members with the opportunity to earn a certificate or an associates degree. Individuals must apply for this waiver and be determined eligible as certified by the United States Department of Veterans Affairs or any branch of the Armed Forces of the United States.

Criteria: Recipients must be Oregon residents and a spouse/domestic partner or dependent child (between the ages of 18 to the maximum age of 26) of a fallen Oregon military service member:

- a. That at the time of death served in the U.S. Armed Forces during a national emergency, war declared by Congress or action of the United Nations or who was killed on active duty after the year 1990.
- b. Spouses/domestic partners or dependent children of service members who died of a service-connected disability acquired while on active duty or that are 100 percent disabled as a result of military service after the year 1990 may also be eligible.

Tuition waivers may be granted for up to, but no more than 150 percent of the total credits needed for an associates degree and are to be used for tuition only. The student is responsible for fees or other expenses related to enrollment.



7. Senior Citizen Audit Program

The senior citizen audit program is intended to provide Oregon residents 65 years of age or older the opportunity to audit certain courses on a space available basis.

Criteria: Recipients must be Oregon residents 65 years of age or older and tuition waivers may be used if:

- a. There is space available in the course at the end of the add/drop period;
- b. The course is a lower-division collegiate course;
- c. The department in which the course is being taught approves;
- d. The auditing student ~~is registered for eight credits or fewer during the term~~ can only apply the waiver for up to eight credits per term. Any additional credits (above eight) would be paid at the current in-state tuition rate.

The senior citizen course audit program provides a full waiver of tuition costs and may be used for a maximum of eight credits per term. All course associated fees and costs for textbooks and other expenses will remain the responsibility of the student.

Approved by Presidents' Council: March 6, 2012  
(Date)