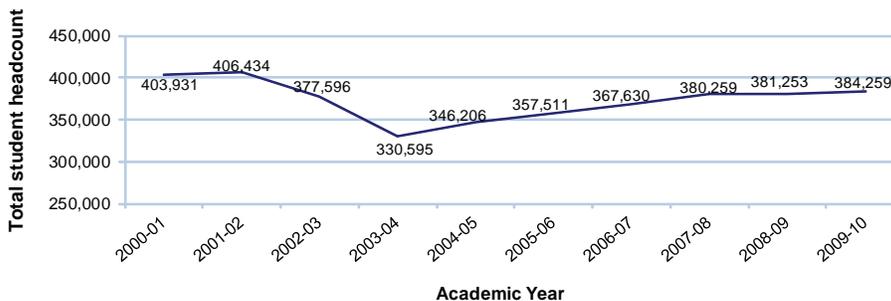


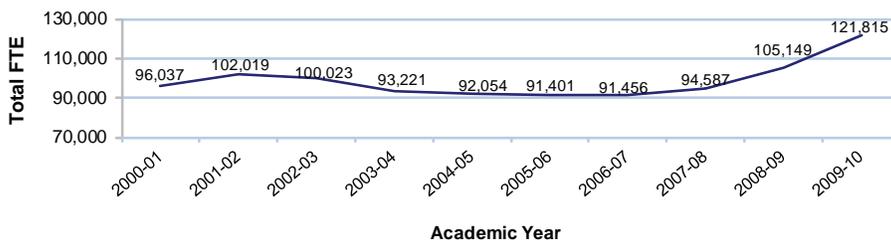
The following information is presented by the Oregon Department of Community Colleges and Workforce Development to help local college board members and their constituents understand what has been happening to community college funding and what they may expect during the coming biennium.

What's been happening with enrollments?

Full-time & Part-time Community College Enrollments
(Head count)



Community College Full-Time and Part-Time
Enrollment (FTE)



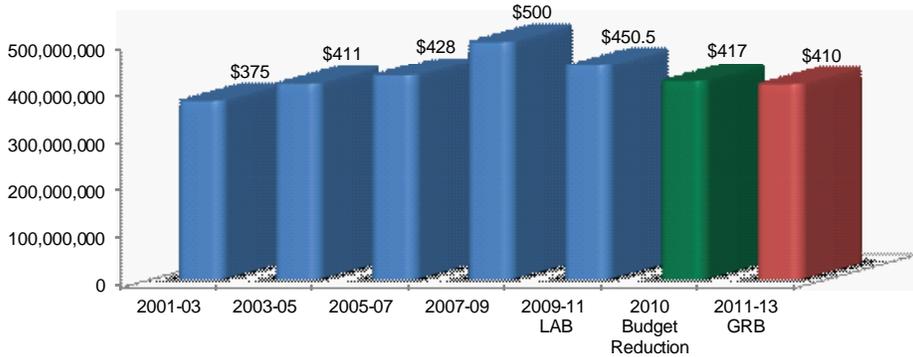
Community colleges are the key access point for Oregonian's seeking a post-secondary education. They provide **opportunity** for students to advance their education levels and acquire new skills regardless of their starting point.

Community colleges are the **leading choice** for high school graduates seeking a post-secondary education. The Oregon University System's recently released study, "Where Have Oregon's Graduates Gone?", reports nearly half of all Oregon high school students who enrolled at an in-state post-secondary institution chose a community college.

- Community college enrollments, both in terms of head count and full-time equivalent students, have increased over the last four years.
- In 2008-09, and again in 2009-10, Oregon community colleges served more than 380,000 students.
- By contrast, during the 2001-04 time frame budget cuts had significant impacts on enrollments. The decrease in enrollment was attributed to a number of factors including decreased course availability and tuition increases of 12-25% per year.
- The Oregon Opportunity Grant (OOG), the need-based financial aid plan for Oregonians, also had a positive impact on enrollment. The doubling of the funding for OOG has enabled more students, both full- and part-time, to access financial aid. Funding for the Oregon Opportunity Grant increased from a level of \$34 million in 2007-08 to over \$68 million in 2008-09 and 11,000 more students received grants than the previous year. However, the state's reduced revenue has impacted the OOG. At the same time, the swelling number of applicants – a 44% increase in community college FAFSA filers alone – means that the reduced budget of \$57 million for 2009-10 will provide financial aid for 4,000 fewer students this year than last year. Also, since an application deadline of last August 15th had to be imposed, 12,339 (and counting) otherwise eligible community college students have been excluded from funding.

What's been happening with funding?

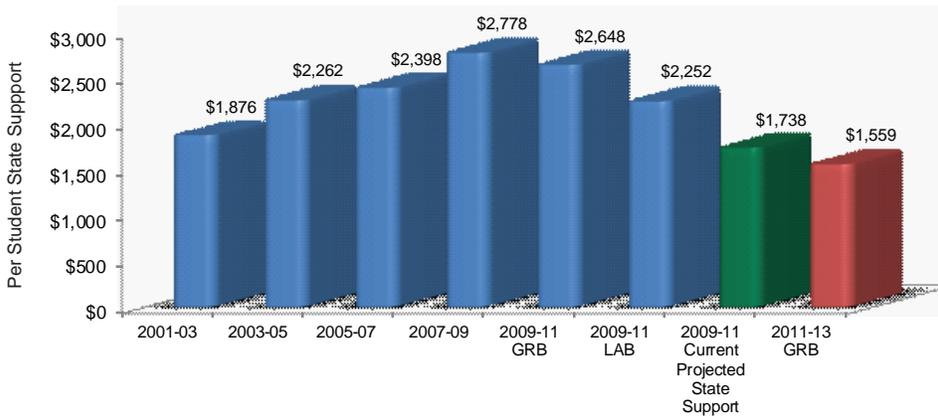
State Appropriations to Community Colleges (in millions)



State appropriations to Oregon's community colleges grew in the 1990s as the number of students seeking post-secondary education and workforce training increased. However, funding for increased enrollment masked the fact the State's funding per full-time equivalent student has not kept up.

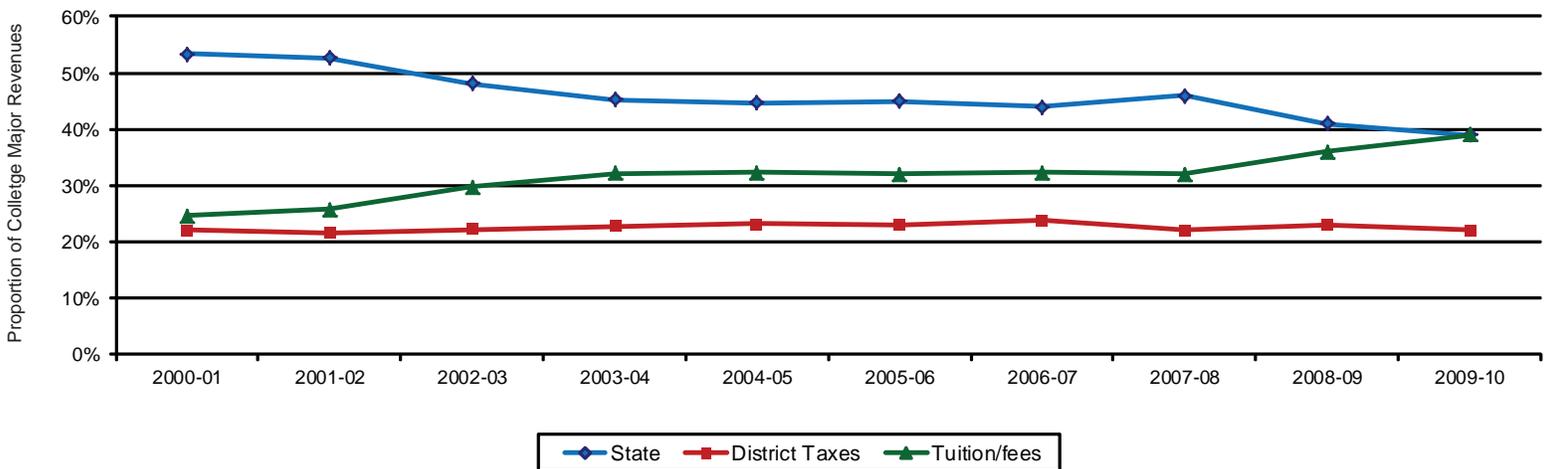
The 2009 Legislatively Adopted Budget (LAB) included \$450.5 million to serve approximately 200,000 community college students during 2009-11. State support was projected to be \$2,252 per student. The July 2010 state budget reductions lowered the CCSF by \$20 million (9%) to \$430.5 million. In October 2010, another \$13.6 million was reduced from the CCSF, dropping it to \$417 million. The reality is that the state support per student of real and projected enrollment growth lowers funding per student to approximately \$1,738.

State Support per Student FTE



On February 1, 2011, the Governor's Recommended Budget identified \$410 million in state support to community colleges, or approximately \$1,559 per student.

Community College Major Revenues

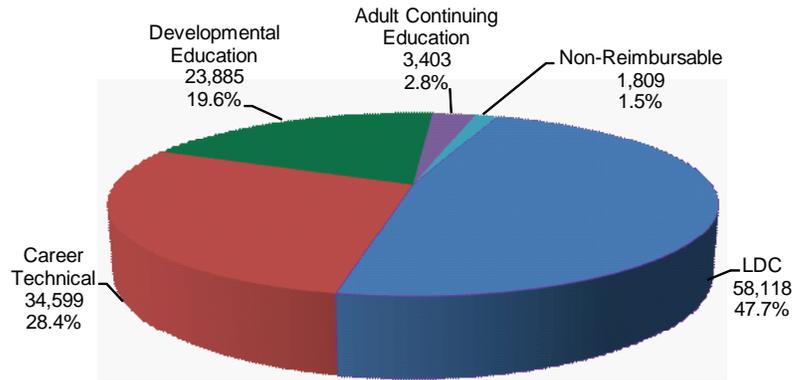


So, what does this mean for Oregon community college students?

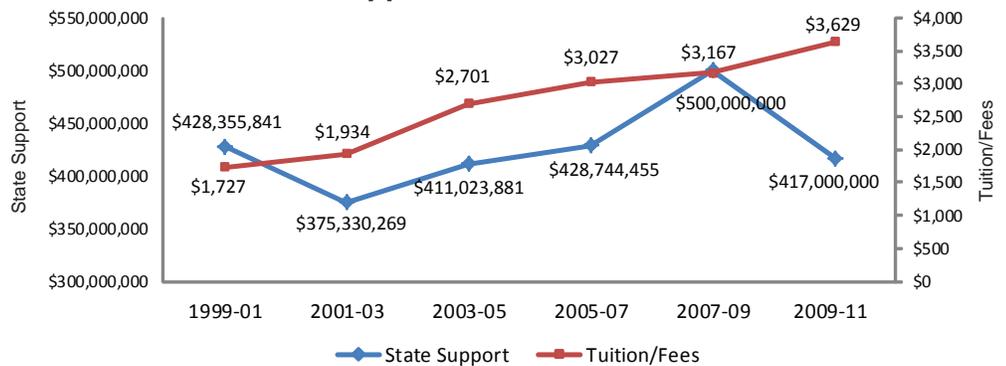
The \$417 million allocated to community colleges for the 2009-11 biennium provided essential operating revenue for program offerings. Colleges have built and retooled 67 programs since September 2008. Unfortunately, the impact of budget reductions facing colleges today will likely be addressed in two ways: program reductions and tuition increases.

Oregon Community Colleges currently (2009-11) have the fourth highest tuition in the 15 western states. Between 2002-03 and 2010-11, tuition and fees increased \$1,495 statewide, an increase of 67%. Higher tuition limits the ability of students to enroll in and complete programs and courses. Research by the community colleges shows that as tuition rises, there is a significant, and permanent, negative impact on the rate of full-time equivalent enrollment growth for credit students.

Oregon Community Colleges Enrollment by Program Area: 2009-10 Total: 121,815

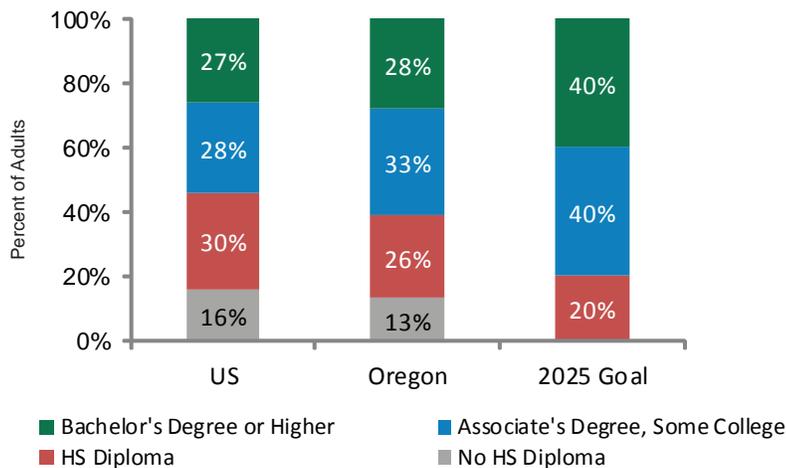


State Support and Tuition/Fees 2009-11



What does this mean for educational attainment in Oregon?

Educational Attainment of Adults Age 25+ 2005 Estimates Compared to Oregon's 2025 Goal



Source: U.S. Census Bureau

Oregon has aggressive goals for educational attainment by 2025: 20% of residents with a high school diploma, 40% with a post-secondary credential or associate's degree, and 40% with a bachelor's degree or higher.

However,

- Oregonians 25 to 34 years old are less likely to have earned a degree than Oregon adults 45 to 54 years old in 2005.
- Chance of an Oregon high school grad going to college by age 19 is less today than ten years ago (2004 compared to 1994).¹
- Average statewide community college tuition rose 99% in 10 years.

¹ Postsecondary Education OPPORTUNITY, July 2006 Issue; calculates chance for college as high school graduation rate times college continuation rate by age 19. From "Oregon Opportunity Grant: Shared Responsibility Model" presentation, January 29, 2007.

What's going on with capital construction?

The Community College Capital Construction package from the 2009 legislative session includes \$128.6 million for 15 new construction and deferred maintenance projects at 13 community colleges.

The approved budget contains \$57,455,000 (Article XI-G bonds) for nine community college Capital Construction projects:

- **Treasure Valley Community College:** approved \$3,000,000 (Article XI-G bonds) to construct a new university center in Ontario for science, agriculture, technology and allied health programs.
- **Umpqua Community College:** approved \$8,500,000 (Article XI-G bonds) to construct a new classroom and laboratory facility in Roseburg for healthcare, public safety and information technology programs.
- **Chemeketa Community College:** approved \$6,255,000 Other Funds (Article XI-G bonds) to construct a new facility for healthcare programs and other academic uses in McMinnville.
- **Columbia Gorge Community College:** approved \$8,000,000 (Article XI-G bonds) to construct a new facility for renewable energy and other workforce programs, a One-Stop Center and other uses supporting college and community needs.
- **Central Oregon Community College:** approved \$5,700,000 (Article XI-G bonds) to construct a new facility for flight instruction, aviation maintenance, automotive and information technology programs.
- **Portland Community College:** approved \$8,000,000 (Article XI-G bonds) to construct a new facility for education programs at the Cascade Campus on North Killingsworth Street in Portland.
- **Lane Community College:** approved \$8,000,000 (Article XI-G bonds) to construct a new building to replace the downtown Eugene academic building.
- **Clackamas Community College:** approved \$8,000,000 (Article XI-G bonds) to construct a second building on the Harmony Campus near Clackamas Town Center for allied health, workforce and other educational programs.
- **Oregon Coast Community College:** approved \$2,000,000 (Article XI-G bonds) to construct a new facility on the Central County Campus to support the aquarium science and other marine related programs.

The legislature also approved \$13.7 million in Other Funds (lottery bonds) for six construction and deferred maintenance projects:

- **Blue Mountain Community College:** approved \$7,400,000 Other Funds (lottery bonds) to construct a new facility in Hermiston for physical and biological sciences.
- **Rogue Community College:** approved \$1,250,000 Other Funds (lottery bonds) to replace aging windows and air handling systems and renovate instructional classroom and laboratory space.
- **Clackamas Community College:** approved \$1,000,000 Other Funds (lottery bonds) for electrical improvements; repair and renovation of air handling units, exhaust fans, pumps, and controls; roof repairs; and necessary building upgrades.
- **Central Oregon Community College:** approved \$1,200,000 Other Funds (lottery bonds) for construction of six classrooms on space currently occupied by the college's tennis courts.
- **Clatsop Community College:** approved \$1,900,000 Other Funds (lottery bonds) for seismic upgrades to Towler Hall.
- **Mt. Hood Community College:** approved \$950,000 Other Funds (lottery bonds) to seismically upgrade a classroom/laboratory facility.

Oregon Statute requires that the state "should maintain a policy of substantial state participation in community college building costs." ORS 341.009 (14)

This general policy guideline has resulted in the submission of requests for state general fund investments in community college capital projects for every budget cycle in the last decade except 2001 when all efforts centered on securing funds for student-based funding.

The 2005-06 biennium was the first time in twenty-five years Oregon's community colleges have received Article XI-G bonds from the state.

For additional information please contact Dr. Camille Preus, Commissioner
Oregon Department of Community Colleges and Workforce Development
503-947-2433 or camille.preus@state.or.us.