

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 legislation and funding, and what they may expect during the coming biennium.

## 2011 Legislative Session

Over the course of the 2011 legislative session, CCWD tracked several hundred bills. The following provides a highlight of three major bills with an impact on community colleges that passed during the session.

### Reform Legislation

There were two major proposals for restricting various aspects of higher education introduced in the 2011 session, SB 242 and SB 909. After much negotiation to ensure there would be no impact on local governance, both bills passed the session.

**SB 909:** Governor Kitzhaber visualized SB 909 as a means to create an investment board that would look at the Oregon University System, Community Colleges, K-12 and early learning along one continuum. The goal of the Oregon Educational Investment Board would be to create a unified outcomes-based budget. The bill directs a task force to report to the Legislature in December 2011 what the structure for state-level decision making should be.

**SB 242:** The two main elements of SB 242 were a proposal to grant the Oregon University System autonomy from state agency status and a proposal to create a Higher Education Coordinating Commission. This commission will not have governing status but will be a place to recommend metrics for return on the state's funding investments.

### Student Success

HB 3418 creates a Task Force on Higher Education Student and Institutional Success. The task force is directed to analyze best practices and models for student and institutional success, to examine barriers, study methods for acquisition of basic skills and career preparation, and identify alternative funding options. A report must be submitted by October 2012 for the 2013 Legislature. Members of the task force include a community college board member, president, faculty, and student, who will be appointed by the Governor.

## Educational Attainment

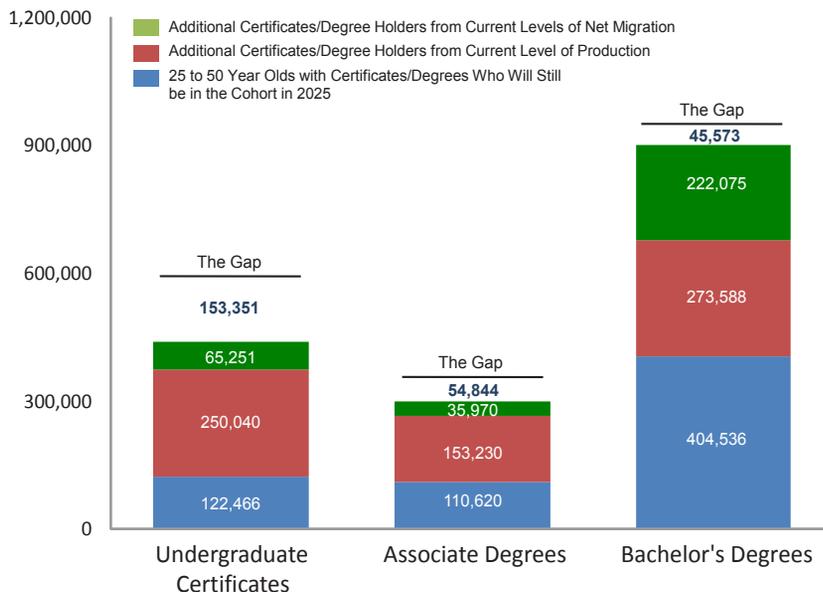
The Oregon Legislature adopted SB 253, which declares that the mission of all higher education includes the achievement by 2025: 20% of residents with a high school diploma, 40% with a post-secondary credential or associate's degree, and 40% with a bachelor's degree or higher.

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).<sup>1</sup>
- Average statewide community college tuition rose 99% in 10 years.

<sup>1</sup> 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.

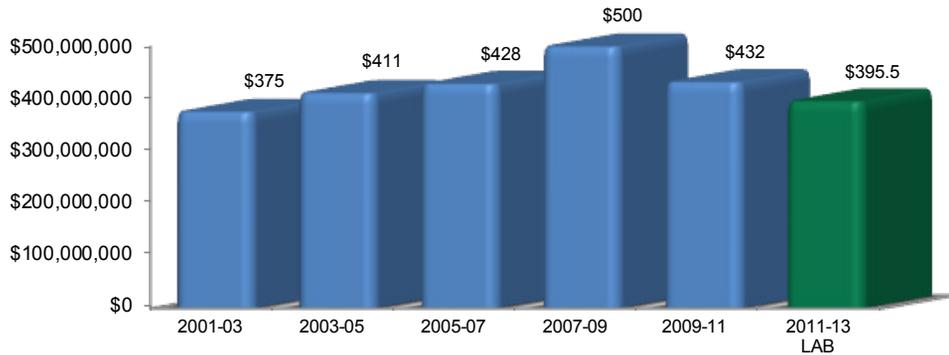
**The GAPS - Additional Certificates and Degrees Needed by 2025 to Meet the 40-40-20 Goal**



Source: Analysis conducted by NCHEMS; using data from the National Center for Education Statistics and the U.S. Census Bureau (2007 American Community Survey)

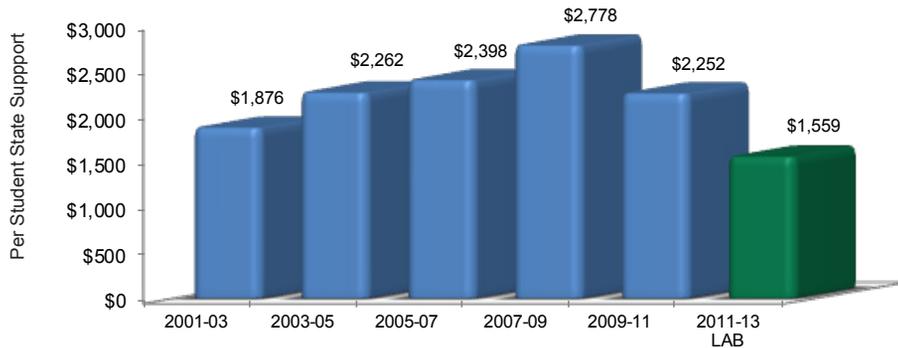
## What's been happening with funding?

**State Appropriations to Community Colleges**  
(in millions)



State appropriations to Oregon's community colleges grew in the late 1990s and early 2000s as the number of students seeking postsecondary education and workforce training increased. Yet despite the fact that enrollment is again climbing after a temporary dip in the mid-2000s, State funding per full-time equivalent student is the lowest it has been in over a decade.

**State Support per Student FTE**



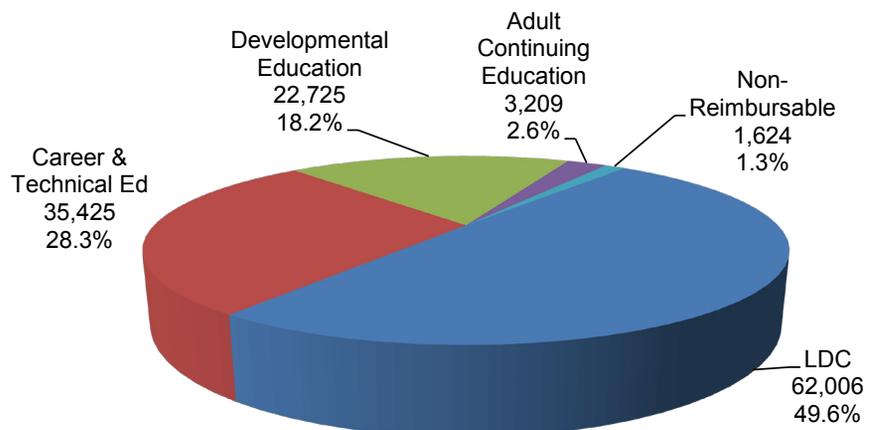
The Community College Support Fund (CCSF) received \$395.5 million from the 2011 Legislature. However, the Legislature held back \$14.5 million from the CCSF that may be released in the February 2012 session if the economy does not continue the downward trend of the recession, bringing the total funding level to \$410 million.

The Community College Support Fund also received an additional \$15 million as part of the "maintenance of effort" requirement for federal dollars received from the federal American Recovery and Reinvestment Act of 2009; the funds were spent by June 30, 2011 in the 2009-11 biennium.

## What does this mean for educational attainment in Oregon?

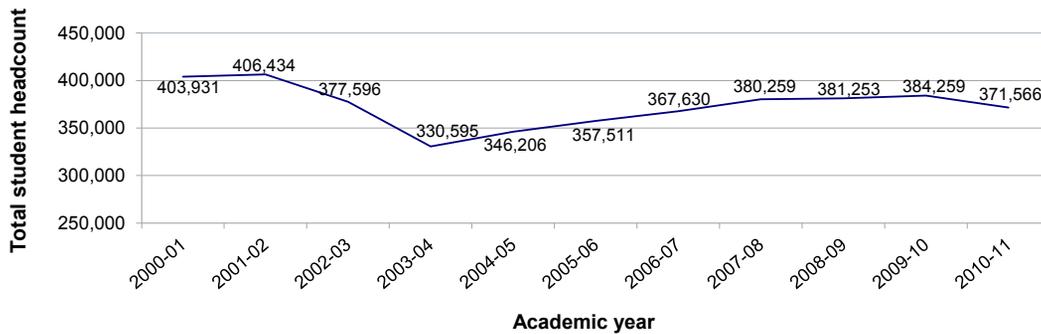
The \$395.5 million allocated to community colleges for the 2011-13 biennium provides essential operating revenue for program offerings. Colleges have built and retooled 303 programs since July 2008. Unfortunately, the impact of budget reductions facing colleges today will likely be addressed in two ways: program reductions and tuition increases.

**Oregon Community Colleges Enrollment by Program Area: 2010-11**  
Total: 124,988



## How does this affect enrollments?

### Full-time and Part-time Community College Enrollments (Head count)



In 2008-09, over 60 percent of Oregon undergraduates attending public institutions were enrolled in community colleges.

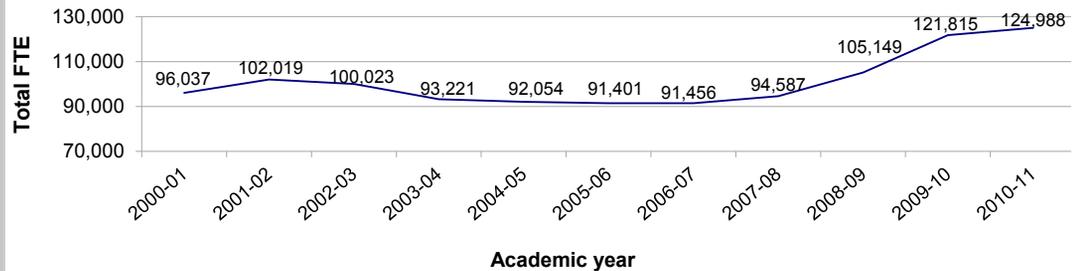
Source: National Center for Educational Statistics

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 six years.
- Since 2008 Oregon community colleges have served more than 380,000 students each year.

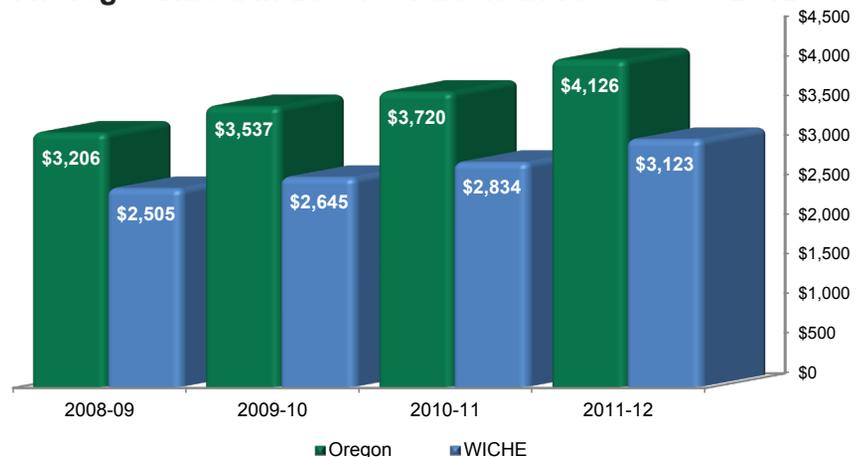
### Community College Full-time and Part-time Enrollment (FTE)



## What is the impact on community college tuition?

Oregon Community Colleges currently (2010-11) have the fourth highest tuition in the 15 western states. Over the last eight years, tuition and fees at Oregon community Colleges increased \$1,495 statewide, an increase of 67 percent. According to the National Center for Public Policy and Higher Education (June, 2011), 68 percent of community college students report that they chose their college because of cost. If the trend of rising costs continues, more Oregonians will be priced out of community colleges, and higher education, altogether.

### Average Annual In-District Tuition and Fees 2008-2012



Source: Western Interstate Commission for Higher Education (WICHE)

## What's going on with capital construction?

For the fourth consecutive session, Oregon's community colleges put forward a prioritized list of capital construction projects. During the 2009 session Oregon's community colleges received approval for over \$124 million in state support for deferred maintenance and capital construction projects. However, because of continuing declines in state revenues and limited bonding authority, legislative leadership was reluctant to commit to providing any General Obligation bond resources from the general fund during this session. State Treasurer Ted Wheeler had also previously warned the Legislature that the state had nearly reached its debt limit for Article XI-G bonding, the bonds the Legislature has used for the majority of community college capital projects.

\$38.7 million in Article XI bonds for six community college Capital Construction projects were sold in April 2011:

- **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.
- **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.
- **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.
- **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.

Three projects approved last session were reauthorized for a bond sale Spring 2013. These projects did not have matching funds and were not able to participate in the April 2011 sale:

- **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.
- **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.
- **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.

Two projects (Klamath Community College and Southwestern Oregon Community College) approved in the 2005 session were extended one year.

*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.*

*The legislature has approved \$207.3 million in Capital Construction projects since 2005.*

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](mailto:camille.preus@state.or.us).