

POLICY PACKAGE #101
2017-2019 Budget
Oregon Opportunity Grant

PURPOSE: Support financial aid for low-income students with the Oregon Opportunity Grant

The affordability gap continues to grow for Oregon's low income students and families, and Oregon falls well below the national average of state-provided financial aid per resident undergraduate student (FTE). According to a 2013-14 survey of state financial aid programs – the most recent for which data is available -Oregon ranks 32nd in student grant dollars awarded at \$323.38 per undergraduate FTE, and 21st in need-based grant aid at \$327.38 per undergraduate FTE. For the same school year, the all-states average of Student Grant Dollars Awarded per Undergraduate FTE was \$705, and for Need-based Grant Dollars Awarded per Undergraduate FTE was \$533 (*44th Annual Survey Report on State-Sponsored Student Financial Aid*, National Association of State Student Grant and Aid Programs).

The Oregon Opportunity Grant (OOG) is the state's primary need-based financial aid program and has been in existence since 1971. In 2007, the Shared Responsibility Model (SRM) was adopted as the methodology for determining individual award amounts, and it was first implemented in 2008-09. This model prescribes a formula that allocates the "shared" cost of a student's higher education between the student, the student's family, the federal government, and the State of Oregon via the Oregon Opportunity Grant. Under the SRM, the full "state share" was intended to completely fill the unmet need ("affordability gap") between the student's total cost of attendance and costs not covered from student, family, or federal sources. However, state investments from 2007 to the present have not been sufficient to cover the full calculated state share as modelled, and the gap for students has increased. Over time, the cost of attendance at postsecondary institutions in Oregon has risen faster than federal student aid, family incomes, and the state's minimum wage (a key component in calculating the "student share"). The Oregon Opportunity Grant award amount has not kept up with annual increases in costs of attendance, and state investments in the OOG have not kept up with the number and need of eligible students.

As the calculated amount of the "state share" continues to increase, the Oregon Opportunity Grant award amount has not kept up. To control costs, staff have capped the maximum annual grant award amount and limited the number of grants to meet the budget available, leaving an increasingly larger unmet need. The percentage of a student's average Cost of Attendance covered by the maximum Oregon Opportunity Grant has decreased by 37% between 2009-10 and 2014-15.

After adjusting for inflation and undergraduate enrollment, bringing the state's investment in the Oregon Opportunity Grant up to the national, per-student average for the 2017-19 biennium would cost \$200,560,265. This calculation assumes that the grant should grow at the same rate as the average increase in cost of attendance, or 2.4% annually between 2013-14 and 2015-17.

HOW ACHIEVED

Increased funding for the Oregon Opportunity Grant enables the program to help more low-income students pay for college. This increase could lead to more awards, larger awards, or a combination of the two.

STAFFING IMPACTS

None identified, unless the application process needs to change to accommodate changes with the current application process, which uses the Free Application for Federal Student Aid (FAFSA).

QUANTIFY RESULTS

The current maximum Oregon Opportunity Grant award for the 2016-17 academic year is \$2,250. A 6.7% increase for cost inflation would result in a maximum grant of \$2,400. Even at this higher award level, the budgetary increase in the grant would enable the state to serve about 31,000 more students per biennium. Total students served would be about 104,450 per biennium or 52,225 per year.

REVENUE SOURCE

General Fund: \$60,560,000

POLICY PACKAGE 102-A
2017-19 Budget
Public University Support Fund Current Service Level Adjustment

PURPOSE

In accordance with a budget note on SB 5701 (2016), package 102 is designed to establish a new methodology for calculating the Public University Support Fund Current Service Level (CSL) based on the method approved in 2009 by the Joint Committee on Ways and Means for the Community College Support Fund CSL. This revised Public University Support Fund CSL methodology reflects health benefit and retirement costs expected to exceed the Department of Administrative Services standard inflation rate.

HOW ACHIEVED

SB 5701 (2016) contained a budget note that included the following language: *“To ensure consistency in post-secondary state support CSL calculations, the Department of Administrative Services (DAS) and the Legislative Fiscal Office (LFO) are directed to develop, in consultation with the Higher Education Coordinating Commission and the seven public universities, an estimated cost of applying the Community College Support Fund model to the Public University Support Fund, the Agricultural Experiment Station, the Extension Service, the Forest Research Laboratory, and Public University State Programs. The estimate will include data elements that the public universities will be required to submit to HECC in order to implement the model.”*

This Policy Option Package reflects the adjustment required, beyond the past Public University Support Fund CSL methodology, to achieve the Current Service Level calculated in accordance with the SB 5701 (2016) budget note.

STAFFING IMPACT

None; institutions are not under position control authority and may adjust staff to meet the needs of their institution as determined by management.

QUANTIFYING RESULTS

None.

REVENUE SOURCE

General Fund \$7,427,927

POLICY PACKAGE 102-B
2017-19 Budget
Public University State Programs Current Service Level Adjustment

PURPOSE

In accordance with a budget note on SB 5701 (2016), package 102 is designed to establish a new methodology for calculating the Public University State Programs Current Service Level (CSL) based on the method approved in 2009 by the Joint Committee on Ways and Means for the Community College Support Fund CSL. This revised Public University State Programs CSL methodology reflects health benefit and retirement costs expected to exceed the Department of Administrative Services standard inflation rate.

HOW ACHIEVED

SB 5701 (2016) contained a budget note that included the following language: *“To ensure consistency in post-secondary state support CSL calculations, the Department of Administrative Services (DAS) and the Legislative Fiscal Office (LFO) are directed to develop, in consultation with the Higher Education Coordinating Commission and the seven public universities, an estimated cost of applying the Community College Support Fund model to the Public University Support Fund, the Agricultural Experiment Station, the Extension Service, the Forest Research Laboratory, and Public University State Programs. The estimate will include data elements that the public universities will be required to submit to HECC in order to implement the model.”*

This Policy Option Package reflects the adjustment required, beyond the past Public University State Programs CSL methodology, to achieve the Current Service Level calculated in accordance with the SB 5701 (2016) budget note.

STAFFING IMPACT

None; institutions are not under position control authority and may adjust staff to meet the needs of their institution as determined by management.

QUANTIFYING RESULTS

None.

REVENUE SOURCE

\$423,522 General Fund

POLICY PACKAGE 102-C
2017-19 Budget
Agricultural Experiment Station Current Service Level Adjustment

PURPOSE

In accordance with a budget note on SB 5701 (2016), package 102 is designed to establish a new methodology for calculating the Agricultural Experiment Station Current Service Level (CSL) based on the method approved in 2009 by the Joint Committee on Ways and Means for the Community College Support Fund CSL. This revised Agricultural Experiment Station CSL methodology reflects health benefit and retirement costs expected to exceed the Department of Administrative Services standard inflation rate.

HOW ACHIEVED

SB 5701 (2016) contained a budget note that included the following language: *“To ensure consistency in post-secondary state support CSL calculations, the Department of Administrative Services (DAS) and the Legislative Fiscal Office (LFO) are directed to develop, in consultation with the Higher Education Coordinating Commission and the seven public universities, an estimated cost of applying the Community College Support Fund model to the Public University Support Fund, the Agricultural Experiment Station, the Extension Service, the Forest Research Laboratory, and Public University State Programs. The estimate will include data elements that the public universities will be required to submit to HECC in order to implement the model.”*

This Policy Option Package reflects the adjustment required, beyond the past Agricultural Experiment Station CSL methodology, to achieve the Current Service Level calculated in accordance with the SB 5701 (2016) budget note.

STAFFING IMPACT

None; institutions are not under position control authority and may adjust staff to meet the needs of their institution as determined by management.

QUANTIFYING RESULTS

None.

REVENUE SOURCE

\$704,447 General Fund

POLICY PACKAGE 102-D
2017-19 Budget
Extension Service Current Service Level Adjustment

PURPOSE

In accordance with a budget note on SB 5701 (2016), package 102 is designed to establish a new methodology for calculating the Extension Service Current Service Level (CSL) based on the method approved in 2009 by the Joint Committee on Ways and Means for the Community College Support Fund CSL. This revised Extension Service CSL methodology reflects health benefit and retirement costs expected to exceed the Department of Administrative Services standard inflation rate.

HOW ACHIEVED

SB 5701 (2016) contained a budget note that included the following language: *“To ensure consistency in post-secondary state support CSL calculations, the Department of Administrative Services (DAS) and the Legislative Fiscal Office (LFO) are directed to develop, in consultation with the Higher Education Coordinating Commission and the seven public universities, an estimated cost of applying the Community College Support Fund model to the Public University Support Fund, the Agricultural Experiment Station, the Extension Service, the Forest Research Laboratory, and Public University State Programs. The estimate will include data elements that the public universities will be required to submit to HECC in order to implement the model.”*

This Policy Option Package reflects the adjustment required, beyond the past Extension Service CSL methodology, to achieve the Current Service Level calculated in accordance with the SB 5701 (2016) budget note.

STAFFING IMPACT

None; institutions are not under position control authority and may adjust staff to meet the needs of their institution as determined by management.

QUANTIFYING RESULTS

None.

REVENUE SOURCE

\$508,925 General Fund

POLICY PACKAGE 102-E
2017-19 Budget
Forest Research Laboratory Current Service Level Adjustment

PURPOSE

In accordance with a budget note on SB 5701 (2016), package 102 is designed to establish a new methodology for calculating the Forest Research Laboratory Current Service Level (CSL) based on the method approved in 2009 by the Joint Committee on Ways and Means for the Community College Support Fund CSL. This revised Forest Research Laboratory CSL methodology reflects health benefit and retirement costs expected to exceed the Department of Administrative Services standard inflation rate.

HOW ACHIEVED

SB 5701 (2016) contained a budget note that included the following language: *“To ensure consistency in post-secondary state support CSL calculations, the Department of Administrative Services (DAS) and the Legislative Fiscal Office (LFO) are directed to develop, in consultation with the Higher Education Coordinating Commission and the seven public universities, an estimated cost of applying the Community College Support Fund model to the Public University Support Fund, the Agricultural Experiment Station, the Extension Service, the Forest Research Laboratory, and Public University State Programs. The estimate will include data elements that the public universities will be required to submit to HECC in order to implement the model.”*

This Policy Option Package reflects the adjustment required, beyond the past Forest Research Laboratory CSL methodology, to achieve the Current Service Level calculated in accordance with the SB 5701 (2016) budget note.

STAFFING IMPACT

None; institutions are not under position control authority and may adjust staff to meet the needs of their institution as determined by management.

QUANTIFYING RESULTS

None.

REVENUE SOURCE

\$109,048 General Fund

POLICY PACKAGE 103
2017-19 Budget
Community College Support Fund

PURPOSE: Increase state investment in Oregon community colleges

Package 103 is designed increase the state investment in the Community College Support Fund (CCSF). State General Fund support for community colleges provides investment in a range of educational activities, including associate degrees, transferable postsecondary undergraduate coursework, career and technical education, pre-college, adult basic education, literacy, and local workforce training.

Community college activities support all three aspects of Oregon’s 40/40/20 educational goal. These activities not only serve the “middle 40,” but also include services to Oregonians at large. For example, community colleges provide additional pathways to achieve a high school credential for those lacking a diploma. In addition, community colleges provide a viable path to achieving a bachelor’s degree for students who might otherwise not be able to afford tuition or may not have the educational skillset to directly enter a four-year postsecondary institution.

HOW ACHIEVED

Package 103 proposes a \$244.8 million increase to the support fund for a total of \$794.8 million to support campus operations and improve the ability of colleges to invest in affordability, quality and student success.

In the recent years Oregon colleges have experienced new or expanded state and federal mandates, including: Cleary Act/ Title IC Compliance, Public Employee Retirement System (PERS), health care costs related to the Affordable Care Act (ACA), paid sick leave, minimum wage increases and the Fair Labor Standards Act (FLSA). Additional cost drivers include funding for academic counselors and the first-year experience related to the Oregon Promise. *The total projected cost of these external cost drivers is estimated at \$70.2 million.* While the 2015-17 biennium included a significant restoration in the community college support fund, continued restoration of funding for Oregon’s community colleges is necessary in order to continue the progress towards meeting 40-40-20 while ensuring access and affordability for all Oregonians.

Oregon community colleges will assist Oregon in meeting the education attainment goal of 40-40-20 by focusing on two main areas: pathways to student success and affordability. The pathways to student success umbrella includes expansion of successful student support programs, developmental education redesign, increased advising, improved student placement, better use of data, and improved alignment with K-12 and with the university system. The affordability umbrella may include activities such as helping students address housing and food insecurity, providing emergency loans to students, improved transportation and childcare options,

expanded use of open educational resources, and keeping tuition affordable. These investments are expected to have significant positive impacts on retention and completion. CTE/STEM expansion: Meeting the needs of the Oregon economy and the state's employers will require additional investments in Career and Technical Education and improvements in the way students are supported through STEM (Science, Technology, Engineering, and Math) degree programs. These investments will be particularly helpful in helping Oregon's community colleges to meet the growing demand for certificates and other industry recognized credentials. These investments are expected to have a significant positive impact on certificate production and workforce readiness.

STAFFING IMPACT

None; institutions are not under position control authority and may adjust staff to meet the needs of their institution as determined by management.

QUANTIFYING RESULTS

The impacts of this investment will be validated by increased degree production and degrees per students in subsequent years. This investment will also increase the state investment on a per student basis.

REVENUE SOURCE

General Fund: \$244,800,000

POLICY PACKAGE 104
2017-19 Budget
Public University Support Fund

PURPOSE: Increase state investment in Oregon public universities

Package 104 is designed to increase the state investment in Oregon public universities on a per resident student basis through the Public University Support Fund (PUSF). This should allow institutions to make investments in student success and completion, thereby raising completion rates and helping meet the 40-40-20 completion goal.

Oregon public universities awarded over 22,000 degrees and certificates in 2014-15. From undergraduate degrees to advanced and professional degrees, the universities play a vital role educating Oregon students in support of the State's ambitious 40-40-20 postsecondary attainment goals.

HOW ACHIEVED

Package 104 proposes a \$242.7 million increase to the support fund for a total of \$978.7 million in order to support public university campus operations, and support the ability of the universities to invest in affordability, quality and student success

The HECC seeks an incremental investment beyond Current Service Level for the Public University Support Fund (PUSF). In the recent years Oregon universities have experienced new or expanded state and federal mandates, including: Clery Act/ Title IC Compliance, Public Employee Retirement System (PERS), health care costs related to the Affordable Care Act (ACA), paid sick leave, minimum wage increases and the Fair Labor Standards Act (FLSA).

This proposal supports the HECC's strategic plan for higher education in Oregon, which prioritizes investments in student access and completion. In April 2015, the HECC adopted the Student Success and Completion Model (SSCM), a new allocation model which shifted the method for PUSF allocation from an enrollment-based model to a model focused on access and completion, as well as other state priorities. Although the 2015-17 PUSF represented a significant reinvestment in Oregon's public universities, years of prior disinvestment in public higher education mean Oregon's universities continue to rank near the bottom nationally in both state funding and in total resources available.

In real terms, this means that our public universities lack the ability to invest in student support and completion programs that drive the difference between dropping out and finishing strong for many Oregonians. Continuation and enhancement of the 2015-17 support

fund, combined with the new funding allocation formula, continues the turnaround of investment in Oregon's future and progress toward the State's ambitious 40-40-20 goal. Without continued and enhanced funding, meaningful progress towards 40-40-20 can be reasonably expected to slow or stall. In this new era of institutional governance, reinvestment, and collaboration, there is hope for every student to be able to enroll in a public university, complete a degree, and enter the workforce prepared for success. That hope, however, is overshadowed by past disinvestments, and looming, largely exogenous cost increases. It will take a continued 2017-19 reinvestment to enable progress towards Oregon's higher education goals while ensuring access and affordability for Oregonians.

STAFFING IMPACT

None; institutions are not under position control authority and may adjust staff to meet the needs of their institution as determined by management.

QUANTIFYING RESULTS

The impacts of this investment will be validated by increased degree production and degrees per students in subsequent years. This investment will also increase the state investment on a per student basis.

REVENUE SOURCE

General Fund: \$242,713,703

POLICY PACKAGE #105
2017-2019 Budget
Replace Financial Aid Management Information System

PURPOSE: Replace Financial Aid Management Information System

As the federally designated repository for Oregon residents' FAFSA data (Free Application for Federal Student Aid), the managing agency for the Oregon Opportunity Grant, and the administrator of nearly 500 privately-funded scholarships, the Higher Education Coordinating Commission's Office of Student Access and Completion (OSAC) handles sensitive student data from hundreds of thousands of Oregon residents annually. To do this work, OSAC relies heavily on a robust, secure, and reliable Information Technology (IT) infrastructure. This package requests a one-time capital expenditure to fund the replacement of the agency's aging and unstable Financial Aid Management Information System (FAMIS). A business case for this FAMIS purchase is under development. The FAMIS will also be a critical component in linking OSAC's student records to the proposed State Longitudinal Database. By supporting all of the agency's direct programs, the IT unit supports the HECC goal of making the pathways to higher education more accessible, affordable and supportive for students.

HOW ACHIEVED

In 2015, the Legislative Assembly approved \$800,000 for OSAC to develop a business case document to determine the most appropriate course of action for replacing OSAC's internally developed legacy FAMIS. OSAC expects approval to proceed once the business case has been completed and the course of action determined. Upon completion of the evaluation, OSAC will begin the process of replacing the legacy FAMIS in one of three possible directions: 1) by purchasing an off-the-shelf product and working with the vendor to tailor the product to meet the specific needs of the agency; 2) by working with a third-party contracting firm to develop a software solution to address the current and projected future needs of the agency; or 3) by using OSAC's internal programming resources to internally develop a replacement FAMIS.

QUANTIFY RESULTS

The replacement FAMIS will be stable, predictable, scalable, secure, and ability to be modified to meet new and emerging needs.

STAFFING IMPACTS

This package requires the following position within the Higher Education Coordinating Commission:

- 1.0 FTE, Information Systems Specialist 4
- 2.0 FTE, Information Systems Specialist 6

HECC-OSAC is waiting on the outcome of the business analysis currently being performed by an independent contracting company to evaluate the best course of action for replacing OSAC's current legacy FAMIS. The staffing level built into the project budget is based on the last business case created for the project. Depending on the Return on Investment (ROI) evaluations, the cost of a new FAMIS will either be in the form of allocation for the purchase of a commercial product or in labor costs associated with developing a system. The labor would either be performed by external contractors or internal staff.

REVENUE SOURCE

General Fund: \$7,616,000.

POLICY PACKAGE #106
2017-2019 Budget
Continue and Expand Oregon Promise Grant Program

PURPOSE: Support financial aid for community college students of all income levels with the Oregon Promise

Continued funding and expansion of the Oregon Promise grant helps students at all income levels enroll in and complete two years of community college through state financial support. The grant program supports the State's 40-40-20 initiative by encouraging and supporting recent high school and GED graduates to attend and afford community college.

This policy option package includes funding for the Oregon Promise that enables the first cohort of students to complete their second year of higher education, expansion that enables a second and third cohort to participate at the same grant levels as the first, and a modest enhancement to the program.

In 2015, the Legislative Assembly passed Senate Bill 81, which established the Oregon Promise to be administered by the HECC's Office of Student Access and Completion (OSAC). The program provides grants to cover some or all tuition costs for eligible students. The first cohort of students to receive the grant will be those who graduate high school or a GED program during 2015-16 and enroll in an eligible certificate or degree program at a community college within six months of graduation.

To be considered for Oregon Promise, students must demonstrate a cumulative high school grade point average of 2.5 or better, and must complete both an Oregon Promise application and the Free Application for Federal Student Aid (FAFSA) or equivalent. Award amounts are equal to actual or average community college tuition, whichever is lower, net of a \$50 per term student co-pay and the total amount of federal and/or state grant aid the student receives. The minimum annual award is \$1000 for students whose tuition costs are fully covered by federal and state grants. Students continue to receive the grant, providing they have not yet completed 90 credit hours and continue to meet all other eligibility requirements.

The first cohort of students will receive Oregon Promise grants in 2016-17. Funding for the cohort's first year was included in the budget for 2015-17. For the initial year of operation, OSAC estimates that the program will serve a first-time cohort of 6,000-8,000 recent high school and GED graduates. Based on applications received through June 2016, the average Oregon Promise student may also bring up to \$2,617 per year in federal financial aid into the state.

HOW ACHIEVED

This package for the Oregon Promise supports eligible students of all income levels in affording community college, including grants enabling the first cohort of recent high school graduates and GED recipients to complete their second year of higher education, grants enabling a second and third cohort to participate, and a compliment to the program that supports adult students.

Serve Oregon Promise cohorts: Assuming continued program funding for the 2017-19 biennium, two cohorts of Promise recipients will receive grant funds during each year of the 2017-19 biennium.

During the first year of the biennium, the first cohort of Promise recipients will be in their second year of community college, and the second cohort will begin their first year of community college. OSAC anticipates that tuition costs will increase, meaning that the total cost in 2017-18 for the two cohorts will be roughly \$10 million per year each, or \$20 million total. Estimates also recognize that some students in the first cohort may have completed their program during their first year, and others may stop out or reduce attendance for other reasons.

During the second year of the biennium, the second Promise cohort will enter their second year of community college, and the third cohort of Oregon Promise students will enter their first year of community college. Again, assuming some increase in participation and an increase in cost, OSAC estimates total cost in 2018-19 for the two cohorts at roughly \$10 million per year each, for a total of \$20 million, bringing the total biennial cost for the Oregon Promise program, as originally envisioned, to \$40 million.

Authorizing legislation passed in 2015 (Senate Bill 81) specified a fixed amount of \$10 million for the 2015-17 biennium to be expended for creation and implementation of the program as well as provision of grants. Going forward, this creates an unfortunate spending limitation that affects future program funding. Legislative Concept 522 (52500-17) has been introduced to request statutory changes and correct this oversight.

The 2017-2019 initial staff budget recommendation for the status quo Oregon Promise is \$40,000,000. Student supports for first-year Oregon Promise recipients, including advising, are addressed in a separate budget request.

Complement the Oregon Promise with a new “tuition-free” program focused on adult students: A significant portion of Oregon’s population is identified by the US Census as having “some college – no degree.” Statistically, this population carries a disproportional share of student loan debt, and is much more likely to default on student loans. This policy package includes a proposal to complement the Oregon Promise with a version of the program that assists students who are relatively close to completing a degree or certificate but have dropped out of college for some period of time. Assisting these students could enable them to complete a degree or

certificate, correlating to higher income, lower unemployment, fewer loan defaults, and greater tax revenue for the state. These students are also likely to qualify for federal financial aid, bringing in more federal dollars.

The 2017-2019 initial staff budget recommendation for this complement to the Oregon Promise program is \$4,000,000. The program could be scaled up or down to serve any subset of this population.

STAFFING IMPACTS

This package requires the following position within the Higher Education Coordinating Commission:

- 1.0 FTE, Information Systems Specialist 4
- 1.0 FTE Administrative Specialist 2
- 0.25 FTE Operations and Policy Analyst 3 (increase to 1.0 FTE from prior biennium and downclass from OPA 4)
- 0.75 FTE Administrative Specialist 2 (increase to 1.0 FTE from prior biennium and downclass from Account 2)
- 0.25 FTE Policy Analyst 2 (increase to 1.0 FTE from prior biennium and downclass from Research Analyst 3)

QUANTIFY RESULTS

The initial cohort of 6,000-8,000 recently graduated students could complete up to 90 credit hours, begun in the 2015-2017 biennium, under the original program.. A second cohort of students could begin and complete their 90 credit hours over the 2017-2019 biennium. A third cohort of students could begin their 90 credit hours in year two of the new biennium.

For the complement to the Oregon Promise, an appropriation of \$2 million per year (\$4 million per biennium) could assist 700 or more students complete their education each year.

REVENUE SOURCE

General Fund: \$34,000,000

STAFFING IMPACTS

This package requires the following positions within the Higher Education Coordinating Commission:

- 1.0 FTE ISS4 (Software Development/Maintenance – junior level)
- 1.0 FTE OPA3 (Program Administration/Coordination)
- 1.0 FTE AS2 (program support)
- 1.0 FTE eMentoring Coordinator

QUANTIFY RESULTS

Continued funding of the Oregon Promise Grant will enable those students who received grants during the program's first year to complete two years of higher education and will sustain the program to serve future cohorts. Results will be measured both after the first cohort enrolls in their first year of community college, but also as they continue into a second year to determine how many have reapplied and persisted in receiving the grant for a second year. Funding anticipates serving two cohorts of students each year of the biennium – a cohort of new applicants and the second year of support for the cohort that started the previous year.

REVENUE SOURCE

General Fund, \$44 million, including \$10 million in continued funding, \$30 million in additional funds to award new cohorts, and \$4 million for expansion to support degree completions for adults with some college but no degree.

POLICY PACKAGE #107
2017-2019 Budget
Continue and Expand FAFSA Completion and Outreach Programs

PURPOSE: Make FAFSA completion and outreach tools available to all high schools and eligible organizations

Increasing funding for the Free Application for Federal Student Aid (FAFSA) Completion and Outreach programs supports college access and completion by encouraging young adults and adult learners to consider postsecondary education through community and school outreach, college fairs and events.

Strong progress has been made with increasing the number of students completing the FAFSA in Oregon, but not all high schools across the state receive support. This policy option package expands FAFSA Plus+ (Oregon's FAFSA completion initiative) to all high schools, school districts, tribal education coordinators, and other eligible student access organizations. The package also supports outreach staff in providing on-site trainings, webinars, website podcasts, information, and publications to students and families to learn about the benefits of college, financial aid options, how to fill out the FAFSA, college-career connections and postsecondary options, among other outreach efforts.

In Spring 2014, the HECC's Office of Student Access and Completion (OSAC) piloted a FAFSA completion project with four high school sites with a goal of increasing the number of students completing a Free Application for Federal Student Aid (FAFSA) at participating high schools. During the first full year of implementation in 2015-16, OSAC saw an 8% increase in FAFSA filings – among the highest percentage increases nationwide. More FAFSA completions results in higher Federal Pell Grant funding coming into the state to help Oregonians pay for their college education. Participating sites that have data-sharing agreements with OSAC receive information about which students in their graduating senior class or currently enrolled at their college have or have not completed and submitted a FAFSA for the upcoming school year. OSAC provides technical assistance to help participating sites reach students through 1:1 mentoring, classroom activities and presentations, FAFSA workshops, and FAFSA webinars and provides technical support, training, resources, and materials around filling out the FAFSA.

HOW ACHIEVED

Continue and expand Outreach activities –This policy package will enable OSAC staff to attend more events throughout Oregon and inform more students, parents, communities, schools, universities, and organizations about the OSAC scholarship application, completing the FAFSA, applying for scholarships, and other college access topics. Further, requested funding will help maximize

OSAC's partnerships with other college access organizations and entities by sharing resources, hosting joint events, co-presenting at conferences and workshops, presenting at each other's events, and promoting the access to postsecondary education for all students.

Continue and expand FAFSA PLUS+ (FAFSA Completion Program) – This policy option package expands the FAFSA completion initiative to all high schools, school districts, tribal education coordinators, and other eligible organizations, increasing FAFSA data-sharing relationships from 110 sites to all Oregon public high schools. Dedicated staff will work with schools and school districts to share FAFSA completion data and create and run FAFSA completion events and will provide college planning and financial aid information through training, college fairs, and financial aid nights, with a special emphasis on targeting rural communities and underserved populations.

STAFFING IMPACTS

This package requires the following positions within the Higher Education Coordinating Commission:

- 1.0 FTE Program Analyst
- 1.0 FTE Trainer
- 1.5 FTE Outreach Specialist (3 part-time employees)
- 0.5 FTE Office Specialist 1

QUANTIFY RESULTS

Using program results from the 2014 pilot and the 2015-16 academic year, OSAC will develop a reporting process that will track annual data on in FAFSA completions at participating schools, with a goal of increasing completions by 10-20% during the biennium.

REVENUE SOURCE

General Fund: \$626,400

POLICY PACKAGE #108
2017-2019 Budget
Integrated Postsecondary Data System

PURPOSE: support Integrated Post-Secondary Data System

Currently available higher education data are not sufficient to answer current and upcoming legislative questions and create mandated reports. The proposed policy option package will gather data into a central location with necessary crosswalks to meet existing legislative needs and to improve HECC's ability to provide data to partner agencies.

The Integrated Post-Secondary Data System will broaden and deepen the analytic capability of data currently collected on Oregon students at Oregon's higher education institutions. Current data come from over 250 different offices and institutions, lack crosswalks to combine them, and have inconsistent reliability and rudimentary functionality. As a result, considerable staff time is spent collating, cleaning, and processing data, and many basic research questions cannot be answered because data are insufficient or staff time is unavailable. These include questions related to Oregon's 40-40-20 educational attainment goal (Senate Bill 253, 2011) and the supplemental Equity Lenses, and especially questions that cross educational sectors, such as the evaluation of transfer credits from community colleges to four-year public universities required by House Bill 2525 (2015). Further, the demand for integrated data continues to grow as new reports emerge, such as those for the federal Workforce Innovation and Opportunity Act. Other research questions, including tabulation of the HECC's key performance metrics, take extensive staff time to complete. This policy option package relates directly to the HECC's agency infrastructure strategic goal by building a foundational data system. It proposes to solve deficiencies by unifying Oregon's higher education data into one reliable system on which the HECC and agency partners can draw to answer state-level and cross-sector questions currently out of reach, and to create existing reports with greater efficiency.

The proposed system will integrate data from Oregon's four-year public universities, community colleges, and private post-secondary schools, all of which are currently disparate sources. It will create systematic identification of persons, programs, and institutions throughout the state to permit valid and reliable tracking across educational sectors. This will also result in more accurate submissions of data to the State Longitudinal Data System (SLDS), improved data reporting, and greater insight into progress toward Oregon's 40-40-20 goal. Finally, it will both expand and facilitate analyses to answer more complex research questions and to do so in less time. In the end, the integrated system will enable the HECC and its partner institutions to analyze students, programs, and institutions in ways that are fundamental to effective higher education policy, to do so with data that are substantially more reliable than current systems offer, and to do so with significantly greater efficiency. The system will benefit the HECC, post-secondary institutions, the SLDS, and the public.

HOW ACHIEVED

This policy option package will secure IT professional services to integrate disconnected data sources to enable tracking across individuals, programs, and institutions. Specifically, it will:

- Create a database of student, staff (where available), and approved program data from more than 208 private, post-secondary schools.
- Combine data sources.
 - 208+ private post-secondary schools
 - 7 four-year, public universities
 - 18+ Title II providers
 - Data for Post-Secondary Analysis (D4A) system, which includes community college student data, approved career technical education programs, community college financial information systems, and GED examinee information.
- Build a database of approved educational programs across private, post-secondary schools, community colleges, and four-year, public universities.
- Develop systematic identification of individuals, programs, and institutions to enable tracking at each of these levels of analysis. Document identification algorithm to facilitate linking of future data sources.
- Create hierarchical levels of access to make data available outside of HECC staff while preserving security of identifiable information. Stratify levels of access by data security for public access, partner access, and HECC access.
- Test and validate final system.

These tasks require contracting with a vendor to obtain the time and skills needed. Existing HECC staff time is fully expended with processing current data extracts for four-year, public universities and community colleges. Private, post-secondary school data are not currently processed and analyzed because of a lack of available staff. The skill sets needed for the required work include experience with Visual Studio.NET, ComponentOne Active Reports, Infragistics NetAdvantage, Telerik, and Microsoft SQL Server. HECC staff have only two of these five skill sets (MS SQL Server and Visual Studio.NET). Further, hiring limited duration positions is less economical than a vendor because potentially four different Information Systems Specialist 7 positions would be required, and they would be needed only intermittently over the course of the project.

STAFFING IMPACTS

This policy option package requires no additional staff hires. The completed data system will save costs by reducing staff time for future processing of data extracts. It will result in greater analytic and research output of current staff because their data tabulations will take significantly less time and because they will be able to answer questions currently not possible.

QUANTIFY RESULTS

The data system will be tested and validated by the vendor, HECC staff, and partner institutions for accuracy, consistency, accessibility, and timeliness of results. Central to this process will be replication of existing reports and comparisons of baseline measures to establish each of these outcomes. Testing and validating will also involve confirmation of consistency in definitions, decreased data, greater data consolidation, and improved data submission.

REVENUE SOURCE

General Fund: \$1,000,000. This includes \$996,000 for the information services contract and \$4,000 for supplies and services.

POLICY PACKAGE 109
2017-19 Budget
HECC Agency Infrastructure

PURPOSE

Address identified needs within the agency to effectively function as a more complex organization. In 2015-17, the agency was the Oregon's 4th largest General Fund agency (\$1.8 billion), with a total funds budget of almost \$3 billion. This request addresses critical needs in program oversight, agency IT security, staffing in HR, Diversity and Inclusion and approved position reclassification requests.

HOW ACHIEVED

Fiscal Performance and Security: Currently the agency is operating without a designated Internal Audit function. This request includes one Internal Auditor who will report to the Executive Director and provide ongoing oversight and recommendations to ensure that the agency establishes and maintains the highest standards for fiscal management.

Staffing Gaps: There are several discrete components to this portion of the request.

(1) In the 2015 budget process, HECC requested human resources (HR) staff to support what was then a new agency. The 2015 LAB included 2 staff (HRA1 and HRA2). The agency had also requested an HRA3 to be the lead, but that position was inadvertently left out. This package includes the HRA3 in order to provide appropriate HR support for an agency the HECC's size.

(2) The Governor has directed agencies to add resources for diversity and inclusion. This package requests an OPA4 who will focus on diversity and inclusion issues. This position will help ensure that the HECC's equity lens is applied both internally to the agency as well as to the HECC's work on higher education policy and coordination.

(3) The HECC agency currently has 2 positions dedicated to contracting/procurement. After the combination of the various entities that formed the HECC, in the first 7 months of operation the combined agency executed over 275 contracts and agreements, with at least an additional 175 in the queue. Standard workload is about 100 contracts/agreements per procurement professional. The lack of adequate staffing results in significant delays in the agency's ability to execute contracts and disburse funds. HECC is requesting a Procurement and Compliance Specialist 1 (PRCS 1) to help relieve workload.

(4) This package requests a position to provide administrative support to the Deputy Executive Director.

Reclassifications and moving positions from part time to full time due to workload: 3 positions in the OSAC office have been reclassified due to Article 81 requests through the collective bargaining contract and DAS's finding that the work is of a higher classification. This package requests permanent funding for these positions because the office is extremely limited in its ability to absorb the permanent funding internally. Two positions (PA1 and AS1) in OSAC are requested to move from 0.50 FTE to 1.0 FTE (full time) due to ongoing workload needs.

Information Technology: This package requests \$105,000 GF for lifecycle replacement of desktops in accordance with HECC's recently adopted IT Governance Policy. \$50,000 GF is requested for various other IT needs around 2-factor authentication and to increase OSAC's network bandwidth. Additional funding (\$400,000) is requested for penetration testing of IT systems, as required by SB 1538 (2016 session).

STAFFING IMPACT

This package requires the following positions within the Higher Education Coordinating Commission:

- 1.0 FTE Internal Auditor 3
- 1.0 FTE Human Resource Analyst 3
- 1.0 Operations and Policy Analyst 4 (Diversity and Inclusion)
- 1.0 Executive Support Specialist 2 (support for the Deputy Director)
- 1.0 Procurement and Contracting Specialist 1 (contracting)
- 2 positions from 0.5 FTE to 1.0 FTE
- Permanent funding for 3 positions due to Article 81 reclass

QUANTIFYING RESULTS

This package will primarily address administrative needs within the enterprise. Success will be measured by administrative efficiency and effectiveness, along with system security. Areas measured will be timely and appropriate HR actions, effective and timely procurement activities.

The enterprise will develop standards for each area in early 2017-19.

REVENUE SOURCE

\$1,690,420 General Fund

POLICY PACKAGE #110
2017-2019 Budget
Improve Transfer Pathways

PURPOSE: Improve transparency and consistency in credit transfer between colleges and universities in Oregon

As noted in the Higher Education Coordinating Commission Strategic Plan, one of the agency's goals is to create clearer and stronger pathways between post-secondary sectors by "improving the alignment of learning standards and outcomes . . . between higher education institutions." That work was strengthened by the passage of HB 2525 (2015). The HECC report in response to that bill noted a number of systemic barriers to efficient transfer student pathways. This POP seeks to address several of those, including:

- The need for greater state level coordination of lower division general education
- The need to reassess the statewide transfer degrees
- The lack of a statewide transfer student portal

HOW ACHIEVED

Oregon will acquire a statewide license to Transfer Equivalency System (TES), a course database currently used by 17 public higher education institutions in Oregon. Use of a common course articulation system will allow for greater uniformity in acceptance and application of transfer credits across the state. In addition, one new limited duration position will be hired to convene faculty workgroups to develop transfer pathways that enable students to transfer courses to meet major requirements for English, math, and the state's three most popular majors. Funding will be used to support workgroup meetings, including faculty time for participation, enable institutions and HECC to resolve inefficiencies in transfers across the state, and conduct research that builds upon work completed under HB 2525.

Workgroups will include participants from the Joint Transfer Articulation Committee (JTAC), faculty from English/Writing, Math, and from the most popular transfer majors (Business, Psychology, Biology). Staff will report to the Commission and the Legislature as appropriate on the implementation strategy and results of this Policy Option Package.

A separate related workgroup will also convene to explore the feasibility of a common statewide transfer portal ("Transfer Portal"). Oregon is one of only nine states with community colleges and public universities that do not have such a portal. Evidence presented in HECC's report on HB 2525 indicates that the lack of a common resource for students to navigate a confusing array of transfer policies and articulation agreements. (The Transfer Portal is a student-facing service, whereas TES is available to registrars, advisers and other college and university staff.)

Implementation Timeline

Fall 2017:	Implementation of College Source TES statewide
Fall 2017-Spring 2018:	Convenings to align the state's public institutions on curricular pathways initiatives
Spring 2018:	Report on Common Transfer Portal
Fall 2018:	First report on implementation of Transfer Student Pathways Measures
Fall 2019:	Second/Final Report on Transfer Student Pathways Measures, including new/enhanced transfer student success reporting

STAFFING IMPACTS

This package requires the following positions within the Higher Education Coordinating Commission:

- 1.0 FTE Operations and Policy Analyst 3

QUANTIFY RESULTS

Results will show in several areas:

- Improved alignment of transfer curriculum in several key majors, and in lower division general education.
- Emergent consensus on how to realign and renew the statewide transfer degrees to improve credit mobility and efficiency (such as the AAOT).
- Improved data collection and reporting on transfer student success, including graduation rates, and credits accumulated for graduation.
- Over time, transfer students will complete bachelor's degrees with approximately the same number of credits as their "direct entry" counterparts.

REVENUE SOURCE

General Fund: \$510,000

POLICY PACKAGE #111
2017-2019 Budget
Consumer Protection and Veterans' Support

PURPOSE: Strengthen consumer protection and veterans' support

To serve the needs of Oregon students, increased support is needed to oversee programs participating in veterans' education benefit programs, strengthen consumer protection related to the fast-changing regulated postsecondary sector, and provide an integrated process for student complaints across private and public institutions.

Recent federal decisions will add additional responsibilities to the Higher Education Coordinating Commission (HECC) in the oversight of programs participating in veterans' education benefit programs. The HECC is the Oregon State Approving Agency (SSA) for Veterans Education Programs. The office oversees Oregon's federal contract with the SAA, monitoring postsecondary institutions participating in veterans' education benefit programs (GI Bill benefits) administered by the U.S Department of Veterans Affairs to ensure compliance with applicable state and federal laws. Recent federal decisions will add the approval of vocational flight schools, apprenticeship, and on-job-training programs for training services to GI's returning home. Protection of our veterans' education benefits can be enhanced through increased technical assistance to schools, apprenticeship sites, and on-the-job training sites that serve veterans. Key objectives include the ability to conduct more direct outreach, provide technical support, and enhance compliance with VA guidelines.

To support and strengthen protections for students attending career schools and other private, regulated postsecondary institutions in Oregon, a small but significant public investment is required. In 2015-17, Oregon has seen more cases of private institutions closing and making decisions that negatively impact students in achieving higher education goals. This also has a negative impact on Oregon's progress towards 40-40-20 goals. The HECC and the Oregon Department of Justice (DOJ) have worked diligently to coordinate efforts and increase responsiveness. Recent and current cases teach us that more proactive efforts are needed to prevent future impacts on students, structure proactive plans for closure of schools prior to sudden corporate meltdowns, and closely monitor schools at risk or on probation in addition to taking timely action to place and support schools at risk through improvement plans and close monitoring. Moreover, the last several years have seen an increase in fly-by-night postsecondary operators attempting to do business in Oregon without proper licensing and authorization. This negatively impacts the students these institutions enroll, the employees they hire, and local businesses. Early identification and regulatory action on illegal operators is essential to minimize the impact on Oregonians.

Finally, the HECC has a need for a more centralized, efficient, and customer-friendly student complaint process. This proposal creates an integrated streamlined approach to student complaints across the public and private postsecondary sector.

HOW ACHIEVED

By establishing a coordinated, integrated and centralized approach to protecting students, the HECC seeks to increase systemic response in three essential areas of need: supporting veteran's education services, strengthening oversight of regulated schools, and resolving student complaints. Having dedicated staff will secure consistent, coordinated, and timely attention to the areas of need.

Veteran's Support: An increase in staffing will allow the HECC to respond to new VA-SAA responsibilities for the oversight, approval, and monitoring of vocational flight schools, and apprenticeship and on-the-job training programs. Such staffing support will result in more timely responses to program and institutional approvals, technical assistance to approved sites, as well as guidance on national GI-Bill/VA changes and compliance notifications to all institutions. An increase in dedicated staff will support veterans and their approved training providers, and increase coordinated policy guidance for veteran education services.

Strengthening Oversight of the Regulated Sector: This oversight will result in increased monitoring of struggling schools, and early detection of unlicensed and unauthorized illegal operators, thus reducing the negative economic and societal impacts on Oregonians. Increased monitoring of struggling schools will result in timely structured improvement plans, proactive teach-out planning, when necessary and collaborative student supports. Furthermore, this strengthened oversight will increase collaboration on cases and investigations with other states, DOJ, other state agencies and federal entities.

Integrated Student Complaints: Dedicated staff will handle complaints, compliance, and investigations working within and across all units of the HECC, collaborate with other state or federal entities as needed, and proactively review cases and issues with school leaders to achieve prompt case resolution. Funding will centralize HECC's response to student complaints, implement common forms, and streamline administrative rules and processes – all while recognizing the distinctive HECC authorities for student complaints originating in different sectors. It will produce a common tracking system, with integrated reports to the Commission on the number of cases, trends and topics by sector or school. This will enable the creation of a systemic approach and analysis of trends to inform policy and regulatory planning

STAFFING IMPACT

This package requires the following positions within the Higher Education Coordinating Commission:

- 1.0 FTE Education Program Specialist 2 (team lead)
Note: This position serves as Complaints, Compliance and Investigations team leader
- 3.0 FTE Compliance Specialist
- 1.0 FTE Office Specialist 2

QUANTIFY RESULTS

Proactive review and approval of programs serving veterans under the GI Bill Program will be measured not just by the number of programs approved, but also increases and diversification of options across the state. Increased training/workshops for approved institutions and outreach sessions to new providers will not only enumerate the educational/training services provided, but also the overall improvement in proactive compliance with federal guidelines resulting in timely evaluative compliance surveys.

Timely response to adverse action notices in the regulated sector will result in smooth academic transition to students, restitution of prepaid tuition, as well as increased accountability and transparency in the sector. Data reports will outline the number of student graduates, students employed in their field of study, and affordability indicators (cost of attendance, debt, and earnings).

Timely response to student complaints will produce reports to the HECC that include the amount of staff time spend on cases, case resolution, administrative hearings scheduled, identification of trends and relevant systemic issues for further consideration by the Commission.

REVENUE SOURCE

781,000 General Fund:

POLICY PACKAGE #112
2017-2019 Budget
Youth Work Experience

PURPOSE: Address shortages in youth work experience

Oregon's competitiveness is fundamentally linked to the availability of a skilled workforce. However, Oregon is facing a critical shortage that impacts economic growth—thousands of youth are not finding opportunities to develop the academic and job skills they must have in order to succeed in today's global economy.

The number one issue Oregon employers reported in statewide forums was the business need for young people to obtain basic workplace skills including those referenced as 'soft skills'—showing up on time, working a complete shift, interacting with others, taking direction, being drug free, participating in teams, and acting with respect for the employer and co-workers. When these skills are not learned at home or in the course of traditional education, they are most successfully taught in a hands-on environment through real work experience. In response to this business input from every county in the state, the Oregon Workforce Investment Board (OWIB) prioritized investments in Youth Employment in its 2016 Strategic Plan.

Oregon has a history of very successful youth employment models including summer youth jobs and paid internships.

In order to address these shortages in youth work experiences, the HECC's Office of Workforce Investments will collaborate with Oregon's nine Local Workforce Development Boards (LWDBs) and the Oregon Youth Conservation Corps (OYCC) programs to provide meaningful work experience and workforce training for Oregonians between the ages of 14 and 24.

HOW ACHIEVED

The resources will be distributed by formula to the nine LWDBs and the OYCC program. The jobs will pay youth at least the Oregon minimum wage, and these local funds will be used to cover wage/fringes, payroll processing, and related participant expenses (including additional case management expenses).

Programs will be modeled after, and supplement, existing proven work experience programs. Programs will be competency-based in their approach and include workforce and academic preparation. Youth will be required to demonstrate skills along a continuum of career readiness. Funded programs will be required to include experiences in in-demand occupations with particular emphasis on targeted sectors and pre-apprenticeship opportunities.

This package will provide work experiences for youth ages 14 to 24 in each of Oregon's 36 counties. Work experiences will include youth recruitment, preparation and support, recruitment and involvement of employers, matching youth to appropriate worksites, assessing youth progress, program evaluation and modification. The program participants will be provided with case management and support services, and local boards will collect data and ensure the identification and dissemination of the most promising practices.

STAFFING IMPACTS

This package requires the following position within the Higher Education Coordinating Commission:

- 1.0 FTE, Project Manager 2

QUANTIFY RESULTS

The results of these resources will be measured by:

- Number of jobs
- Number of hours worked
- Wages earned
- Certification of Work Readiness Skills
- Employment completion rate
- Retention in education or employment
- Credentials received (industry or credit)
- Entry into college or retention in high school

REVENUE SOURCE

General Fund: \$15,000,000

POLICY PACKAGE #113
2017-2019 Budget
Oregon Tech Renewable Energy Center

PURPOSE: Establish new funding for the Oregon Renewable Energy Center at Oregon Institute of Technology

This request is designed to establish new Public University State Program funding to the Oregon Renewable Energy Center (OREC), housed at the Oregon Institute of Technology in Klamath Falls. Authorized in 2001 by the Legislature (ORS 352.221) but never directly funded, OREC is designed to speed the integration and optimization of renewable energy resources with current power generation systems, and to accelerate clean energy technologies in collaboration with industry partners. Its affiliation with OIT provides enhanced student training opportunities and faculty sharing opportunities. OREC is similar to other Public University State Programs in its multifaceted mission of economic development, natural resource development, and learning enhancement.

HOW ACHIEVED

OREC serves small and medium-sized companies seeking a university collaborator to prototype, test, validate and accelerate clean tech products, and renewable energy applications. OREC's geo-heat center maintains a geothermal library of over 5,000 publications, and provides information and technical assistance on the use of geothermal energy to thousands of constituents worldwide, with a focus on assisting small Oregon-based businesses with applications of geothermal energy.

OREC and OIT currently work with a multitude of partner industry organizations, universities, and community-based economic development entities. The partnerships help OREC expand its reach to both small and medium-sized companies and fulfill its mission for public service in energy systems and applied research, and engage undergraduate and graduate students in relevant experiential learning to prepare the next-generation energy workforce.

OREC's projects will increase the relevance and quality of the student experience at Oregon Tech, increasing output of Bachelor's and Master's level engineering students, while meeting the economic development needs of companies in rural Oregon. Undergraduate and graduate students will participate in industry research projects, providing career-related learning and increasing educational attainment and global competitiveness. OREC will offer multi-disciplinary projects for students in the College of Engineering, Technology and Management to ensure that Oregon Tech can contribute to the State's attainment of its 40-40-20 goals by 2020.

The addition of OIT program staff and research faculty will allow the development of sustaining funding, provide part-time teaching of undergraduate and graduate students, encourage collaborations with companies on applied research projects, and leverage private and federal funds.

STAFFING IMPACTS

None; institutions are not under position control authority and may adjust staff to meet the needs of their institution as determined by management.

QUANTIFY RESULTS

The Success will be measured within two years through the following metrics:

- Value of contracts, grants or revenue from sponsored applied research;
- BS and MS-level degrees awarded by Oregon Tech in energy and related fields;
- Percent Employment of Oregon Tech graduates in Oregon;
- Number of internships and industry-supported undergraduate/ graduate projects in related fields.

quantifiable measure associated with this Policy Package will be a more robust Oregon National Guard capable of providing support

REVENUE SOURCE

General Fund: \$985,000

POLICY PACKAGE #114
2017-2019 Budget
Expand the ASPIRE Mentoring Program

PURPOSE: Expand ASPIRE mentoring program by 65 sites to help students plan for college and career success

Expand the ASPIRE mentoring program throughout Oregon to reach more middle schools, high schools, community-based organizations, and colleges across the state. Expanding the program provides the opportunity to help more students plan careers, apply for admission to postsecondary institutions, understand the financial aid process, and learn how to apply for grants and scholarships.

HOW ACHIEVED

This policy package builds on the successful 2015-17 ASPIRE program model that serves 160 sites. It will allow for expansion to 65 additional sites statewide in the coming biennium for a total of 225 sites with an emphasis on middle schools, rural communities, and colleges.

ASPIRE was initiated in 1998 as a joint pilot program of The Oregon Community Foundation and the Oregon Student Access Commission, now the HECC Office of Student Access and Completion. Passage of HB 2245 by the 2007 Legislative Assembly established ASPIRE as Oregon's official mentoring program to help students access education and training beyond high school. The ASPIRE program has a proven record of producing positive outcomes:

- Students who attend school or participate in an organization that has an ASPIRE program are more likely to attend college than students who don't.
- ASPIRE is sought by sites that have underrepresented student populations.
- ASPIRE Partnership Grants strengthen the site-based program, which increases the number of students entering college.
- The longer a site participates, the greater the program's impact on students' college attendance.
- Sites with an ASPIRE program increase the number of students applying for and receiving scholarships. Also, their applicant pools change to reflect more applicants from traditionally excluded groups.

Many students lack awareness of the options available to them for postsecondary education, have limited financial resources, or have cultural and family environments that do not support their exploration of the unfamiliar territory of postsecondary education. Traditionally, high school counselors provided information about postsecondary options. However, ongoing budget constraints have led to increasingly smaller counseling staffs, who face ever growing demands. For example, while the National Association for College Admission Counseling recommends a student-to-counselor ratio of 100:1 for college and academic counseling, the average

Oregon counselor's student-to-counseling caseload is 600:1. Because counselors' workloads allow them little time to provide postsecondary access information to all students, often the counseling students do receive in high school is not effective in helping them enroll in college.

In 2010-11, OSAC expanded ASPIRE to involve community-based organizations that engage students outside of their school day year-round through after-school programs, tribal events, libraries, high school completion programs, and summer programs. In 2012-13, OSAC expanded ASPIRE to pilot a program for colleges. Such activities extend the mentoring relationship from high school graduation to the student's first day of college by maintaining contact with graduates throughout the summer to combat "summer melt," which can be especially important for students from underserved populations.

Rooted in community development and local ownership, ASPIRE relies on local citizen volunteers. ASPIRE provides Partnership Grants to qualified sites to help them pay for an ASPIRE Coordinator, who can mobilize local human and financial community resources by drawing upon networks of parents, retired educators, local citizens, and business owners to serve as ASPIRE volunteer mentors. A qualified site can be a middle school, high school, community-based organizations, or college that is participating in the ASPIRE program.

Site-based ASPIRE Coordinators are essential for ASPIRE expansion and sustainability:

- Site coordinators can be designated employees or even community members who recruit, train, coordinate, and encourage Volunteer Mentors.
- Most sites can provide a modest amount of funding, such as monies from a dedicated vending machine, private foundation grants, or community fundraising.
- OSAC has been successful in working with private foundations to consider provide funding for sites that lack sufficient financial resources, on a short-term basis.

STAFFING IMPACTS

This package requires the following positions within the Higher Education Coordinating Commission:

- 4.0 FTE Program Analyst 1
- 3.0 FTE Program Analyst 2
- 0.5 FTE Training and Development Specialist (increase existing position from 0.5 to 1.0 FTE)
- 1.0 Office Specialist

QUANTIFY RESULTS

With increased funding for 2017-19, ASPIRE expects to reach more than 5,600 new students, create 65 new sites, and recruit 1,850 new volunteers at a value of \$1,242,000. This will permit ASPIRE to significantly enhance the results described in the general description of ASPIRE contained above.

In addition to tracking how many students are receiving one-on-mentoring and the number of volunteers serving with ASPIRE, the program also tracks the impact of these auxiliary services:

	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19
ASPIRE Sites	134	145	160	225	253	305
Student Contacts	80,975	87,622	102,400	135,965	152,886	184,309
1:1 Mentoring	9,393	10,164	10,300	15,772	17,735	21,380
Volunteers	1,559	1,687	1,700	2,618	2,943	3,548
Volunteer Hours	44,849	48,531	51,300	75,306	84,678	102,082
Value of Volunteer Hours	\$1,049,203	\$1,135,332	\$1,129,800	\$1,761,722	\$1,980,958	\$2,388,111

REVENUE SOURCE

General Fund: \$641,260

POLICY PACKAGE #115
2017-2019 Budget
Accelerated Learning Data Analyst

PURPOSE: Create Data Analyst position to support accelerated learning programs

This request is designed to clarify the data reporting mechanisms necessary to assure quality in accelerated learning programming (ORS 340.310). Accelerated learning includes a variety of educational experiences that may include dual credit, Advanced Placement (AP) courses, and more, that provide high school students with the opportunity to earn college credit while in high school.

The Higher Education Coordinating Commission's (HECC) coordinating role includes the commitment to "engineer simpler, more effective, and efficient learning pathways for students." The HECC adopted Accelerated Learning standards in June 2016 that affect all public universities and colleges in the state. Through package 115, the HECC seeks to ensure the quality, rigor and fidelity of offerings in Accelerated Learning and support the growth in student enrollments. This POP seeks to address the following:

- The need to engineer new data reporting mechanism to coincide with Accelerated Learning Standards (June 2016)
- The data reporting mechanism will identify and differentiate among types of Accelerated Learning

HOW ACHIEVED

Important questions remain for Oregon policy makers, leaders and legislators as to how specific types of high school based college credit influence students' trajectory to college and career success. The Higher Education Coordinating Commission has adopted statewide standards that will streamline and ensure the quality and transferability of college credits available to high school students in Oregon. The workgroup that developed and recommended the standards for Oregon was charged by the Public University Provosts' Council and the Community' Colleges Council of Instructional Administrators to collaboratively establish standards that all high school based college credit partnerships would conform to. In order to build on our knowledge about dual credit and other forms of accelerated college credit as an educational strategy to support students, this data reporting mechanism will identify which high school students in Oregon participate and what type of accelerated learning they take. To this end, the group recommended a research agenda that will be critical to informing progress and in measuring the success of a student success, and in particular the influence of dual credit.

The creation of a data workgroup will assist in building stronger partnerships between campus researchers and the HECC with the purpose of continuous problem solving and dialogue around data. Upon the creation of a data reporting mechanism, convening of institutional researchers and campus representatives will be necessary to troubleshoot and coordinate the implementation of the data

reporting mechanism. In addition, one new limited duration position will be hired to staff the workgroup. This position would also be responsible for acting as a liaison to institutional researchers and information technology professionals who report accelerated learning data to the HECC.

STAFFING IMPACTS

This package requires the following position within the Higher Education Coordinating Commission:

- 0.5FTE, Research Analyst 3

QUANTIFY RESULTS

The success will be measured within two years through the following areas:

- Ability to make evidence based policy around educational strategies for high school students
- Improved data collection and reporting on students earning college credit during high school
- Improved measurement of learning pathways and determine whether they are effective and efficient for student success

REVENUE SOURCE

General Fund: \$173,730

POLICY PACKAGE #116
2017-2019 Budget
Educator Equity Scholarship and Network

PURPOSE: Create and fund a scholarship program and social network to attract and retain underrepresented populations in the teaching profession

This Package is a combined effort between the Higher Education Coordinating Commission and the Chief Education Office. CEEdO will be submitting their own companion package separately.

The Minority Teacher Act (now called the Oregon Educator Equity Act) was passed in 1991 by the Oregon Legislature. Since that time, Oregon has made intermittent efforts to address the gap between the demographics of the state's public K-12 educator workforce and that of the K-12 public school students they serve. These efforts have had a limited impact on a gap that continues to widen. In 2016, 36.6% of Oregon's K-12 students served were culturally and linguistically diverse while only 10.2% of classroom teachers were culturally and linguistically diverse.

The Governor's Council for Educator Advancement has reviewed the 2016 Educator Equity report required by law to be submitted to legislators annually and reviewed the recommendations of the Oregon Educator Equity Advisory Group formed by the Chief Education Office. The issues undergirding the lack of culturally and linguistically diverse educators in Oregon's schools are complex and nested with each stage of an educator's career continuum: recruitment, preparation, hiring, mentoring, and career advancement.

Recruitment of diverse educators must be deliberate and will need dedicated resources that support candidates with the high cost of becoming a teacher. Other states have created Minority Teacher Fellowships and special scholarships, but Oregon still lacks a designated scholarship fund for recruiting, preparing, hiring, and mentor, and support more culturally and linguistically diverse educators. This Package would create an Oregon Fellows program that supports Oregon students of color pursuing a TSPC teaching or administrative license. The funding should include not only scholarship funds but also the tools, supports, and connections needed to complete an educator prep program, gain employment in a public school, remain in teaching long term and advance in the profession.

The Educator Equity Advisory Group has also identified promising practices resulting from pilot district/postsecondary partnerships (TeachOregon) that can grow supports for local teacher pathways that support entry of more culturally and linguistically diverse teachers into the teaching profession.

HOW ACHIEVED

1. Create and fund a scholarship program and social network infrastructure that:
 - a. Includes peer-to-peer mentoring, designed to recruit and retain a cadre of students of color in the teaching profession across multiple universities. Communication social network would be developed and housed at OSAC (similar to ASPIRE network) (Administered by OSAC)
 - b. Leveraging Oregon Promise and other financial assistance resources such as PELL grants and Oregon Opportunity Grants, offers each Oregon Fellow a two-year scholarship not to exceed \$10,000 to culturally and linguistically diverse students transferring from a community college to a Commission-approved teacher education program at an Oregon four-year institution.(Administered by OSAC)
2. Provide seed funding to grow and expand postsecondary/district partnership models like the Portland Teacher Program, TeachOregon, and Chemeketa Community College Bilingual Pathway Program in communities where students of color exceed 40% of the student population. (To be administered by CEEdO and separate from this Package)

STAFFING IMPACTS

This package requires the following positions within the Higher Education Coordinating Commission:

- 1.0 FTE Information Systems Specialist 5 (Limited Duration)
- 1.0 FTE Program Analyst 1

QUANTIFY RESULTS

Scholarships and network goals include:

- Fund 100 new teacher candidates of color who would then be matched with school districts seeking to diversify their educator workforce. Most of these teacher candidates would be ready for employment by 2020.
- Leverage the fiscal savings from PELL, Oregon Opportunity Grants, loan forgiveness, and Oregon Promise funding. (Students of color often start their postsecondary education at the community college level)
- Graduate another 100 teachers of color could almost double the number hired in the current biennium and would generate renewed interest in the career.
- Provide seed funding to develop strong partnerships between more of Oregon's most diverse school districts and educator preparation programs that would:

- Increase enrollment in teacher pathway programs;
- Improve transfer of course credits from high school-based Teacher Cadet Programs and community college programs into educator preparation programs;
- Increase access to anti-bias training to help refine educator preparation program application processes and school/district hiring procedures; and
- Increase focus on culturally responsive teaching for all educators.

REVENUE SOURCE

General Fund: \$297,015 (HECC Component Only)

**POLICY PACKAGE #117
2017-2019 Budget
Scholarship Rebalance**

PURPOSE: Establish and maintain Private Scholarships program at HECC-OSAC as a self-supporting service

The Higher Education Coordinating Commission's Office of Student Access and Completion (OSAC) coordinates and manages the application process for more than 500 privately-funded scholarship programs, awarding approximately 3,800 individual scholarships totaling approximately \$18 million per year.

The program unit that administers this function has historically been self-sustaining through the collection of administration charges from scholarship donors. Over time, office agency expenses have landed disproportionately on this program. Reallocating some shared costs that have been budgeted disproportionately in this program will be a more equitable and defensible allocation.

The Scholarship Program supports the HECC goal of making higher education pathways more accessible, affordable and supportive for students. Reallocating costs would allow OSAC to continue providing excellent customer service and retain positive donor relation efforts through equitable cost-sharing of agency expenses.

HOW ACHIEVED

Reallocate fixed Services and Supplies (S&S) budgets across programs proportionally.

STAFFING IMPACTS

There are no staffing impacts.

QUANTIFY RESULTS

These changes will reflect actual, audited workload attributable to the scholarship program, and reestablish it as being self-supporting.

REVENUE SOURCE

General Fund: \$331,000

Other Funds: -\$331,000

POLICY PACKAGE #118
2017-2019 Budget
Move Barbers' and Hairdressers' Endowment

PURPOSE: Move Barbers' and Hairdressers' Grant corpus to Oregon Community Foundation

Moving the corpus of this program will result in increasing the number and size of grants awarded to Oregon students under the Barbers' and Hairdressers' grant program.

HOW ACHIEVED

By law, only the earnings of this fund can be distributed as student grants. This package moves the corpus of this state-funded, continuously-appropriated grant fund from the Treasury to the Oregon Community Foundation, which traditionally generates larger investment returns. This change will enable OSAC to award more and larger student grants.

The Barbers' and Hairdressers' endowment originated around 1991. At that time, it was discovered that the Board of Cosmetology had retained licensing fees in excess of expenses. Rather than issuing individual refunds to hundreds of license-holders, it was decided that those fees would be converted to a fund whose interest would provide scholarships to students at cosmetology schools. The original fund received a deposit of \$750,000 and the first round of scholarships were made during the 1992-1993 academic year. In 1995-1996, an additional \$150,000 was deposited into the account, bringing the balance of the corpus up to \$900,000.

Students apply by completing the Free Application for Federal Student Aid (FAFSA) by February 1st. The student must be eligible for a Federal Pell Grant, be an Oregon resident and a U.S. citizen, and must be enrolled at an eligible institution. No other application is necessary. Eligible students must be enrolled full time in a program that is at least nine months or 900 clock hours long and must demonstrate significant financial need (e.g., be eligible for Federal Pell Grant). Distribution of funds is based on the amount of Pell grants awarded at each eligible institution.

Selected students receive a one-time award amount that may vary from \$100 to \$1,500 per academic year or nine-month period. The number of awards varies each year depending on investment earnings of the endowment fund. OSAC sends letters to the schools with the amounts available to award and blank award confirmation forms. Recipients are chosen by selection committees at the schools, which make their selections based on Commission criteria, financial need, and merit.

In years when the fund's endowment generates higher interest earnings, students receive higher awards and the grant serves more students per school. Over time, the award amounts for the Barbers' and Hairdressers' grant have ranged from a high of \$1,000 to a low of \$225, depending on interest earnings. Due to low rates of returns on government investments, for 2015-16, 13 recipients received a total of \$4,095, or about \$315 per student.

The Oregon Community Foundation (OCF) is a tax-exempt foundation in Oregon with assets of \$1.5 billion and 1,900 charitable funds. As a public charity, OCF adheres to the highest standards; stewardship of charitable funds is one of OCF's most important responsibilities. Permanent funds are invested to provide a perpetual resource for Oregon, and have historically provided a greater rate of return than can be realized on Treasury deposits. The anticipated disbursed amount on permanent funds endowed with OCF is currently 4.5%.

STAFFING IMPACTS

No new FTE. This is a one-time fund transfer only.

QUANTIFY RESULTS

With increased returns on the \$900,000 balance in the Barbers' and Hairdressers' fund, the annual payout would be approximately \$40,500, allowing for more grants at higher amounts to be awarded each year.

REVENUE SOURCE

General Fund: \$900,000.

POLICY PACKAGE #119
2017-2019 Budget
National Guard Tuition Assistance

PURPOSE: Recognize transfer to finance state tuition assistance for members of the Oregon National Guard

This Policy Package is a companion package to a request from the Military Department of \$2 million General Fund Special Payments to finance state tuition assistance for members of the Oregon National Guard. This package recognizes the transfer of the revenue from the Military Department and creates expenditure authority within the Higher Education Coordinating Commission's Office of Student Access and Completion to make awards to eligible students.

Oregon Revised Statute 399.275 states that, subject to the availability of funds, the Oregon Military Department may contract with the Higher Education Coordinating Commission to disburse to eligible post-secondary institutions funds for tuition waivers for members of the Oregon National Guard. Statute states that any member of the Oregon National Guard, or a surviving family member, who registers for classes at an eligible postsecondary institution may receive a tuition waiver of up to 100 percent of the resident tuition charges imposed by that institution. There is an exception that in the case of a not-for-profit independent institution, the tuition waiver may not exceed 100 percent of the resident tuition at Oregon State University. Members of the Oregon National Guard, or their surviving family members, may receive the tuition waiver authorized by statute at any time so long as the member maintains satisfactory performance with the Oregon National Guard, and pursues a course of study in the eligible post-secondary institution in a manner that satisfies the usual requirements of the institution.

A primary goal of the companion policy package is to act as an incentive for individuals who are choosing, or have chosen, to serve their state and their nation by enlisting in the Oregon National Guard. Currently Oregon is one of only three states and territories not offering any form of state-sponsored tuition assistance to their National Guard members, the others being Arizona and Guam. Funding this type of program will provide critical assistance to citizen soldiers and airmen who need to meet educational requirements in order to be competitive for positions of greater responsibility in the future, regardless of whether or not they choose to remain a career member of the Oregon National Guard.

HOW ACHIEVED

This Policy Package is achieved by appropriating \$2,000,000 in General Fund to the Administration Program within the Oregon Military Department. The Special Payment would be made to the Higher Education Coordinating Commission for disbursement to the applicable colleges and universities.

STAFFING IMPACTS

There are no staffing impacts.

QUANTIFY RESULTS

The quantifiable measure associated with this Policy Package will be a more robust Oregon National Guard capable of providing support to both domestic and international missions. Additionally, Oregon National Guard members who participate in this program will be better prepared to obtain higher level positions both internal and external to the Oregon National Guard. This request ties to both the Governor's Seamless System of Education Priority as well as the Healthy, Safe Oregonians Priority.

REVENUE SOURCE

Other Funds: \$2,000,000