



# HOUSE BILL 4018 TASK FORCE REPORT AND RECOMMENDATIONS

TASK FORCE ON INTEGRATING THE DEPARTMENT OF COMMUNITY  
COLLEGES AND WORKFORCE DEVELOPMENT (CCWD) INTO THE HIGHER  
EDUCATION COORDINATING COMMISSION (HECC)

CHARGE AND BACKGROUND

CONSIDERATIONS

RECOMMENDATIONS

APPENDICES

- A. Legislative Concept
- B. CCWD Relevant Statutes
- C. Community College Statewide Structure and Support Principles

AUGUST 29, 2014

# HOUSE BILL 4018 TASK FORCE REPORT AND RECOMMENDATIONS

---

## CHARGE AND BACKGROUND

---

House Bill 4018 (2014) established the Task Force on Integrating the Department of Community Colleges and Workforce Development (CCWD) into the Higher Education Coordinating Commission (HECC).

This measure, along with House Bill 3120 (2013), informed the work of the Task Force. Under HB 3120, the HECC assumed policymaking authorities for the community colleges from the State Board of Education on July 1, 2014. This authority includes allocating state funding to community colleges, approving program changes at community colleges, and overseeing the process to form or change the boundaries of community college service districts. CCWD was maintained as a distinct agency for operational support and oversight for community colleges and workforce development delivered locally. The measure did not change the relationship between the State, its agencies, and the local boards that govern community colleges. Each of Oregon's 17 community colleges is governed by a locally elected seven member board that connects the college to its community. The 17 community colleges strongly collaborate in areas that leverage limited resources and increase student success. CCWD has been the center for support, research and staffing on these collaborative endeavors both locally and statewide. Community colleges were created by enabling legislation that permitted local areas to create, govern and have their local community college meet their education and workforce needs in four areas: adult skill development (for those adult without a HS or GED), career technical education and workforce training (including small business development support), transfer, and continuing education. This local mission and delivery is core to every community college, and CCWD has been an operational partner in this local delivery.

HB 4018 further clarified that, as of July 1, 2015, the CCWD is established within the HECC. The measure states, "The department [CCWD] shall function under the direction and control of the commission, with the Commissioner for Community College Services serving as an administrative officer for community college matters." HB 4018 also established this Task Force to analyze how CCWD can best be integrated into the HECC. The Task Force is required to submit a report that may include recommendations for legislation to interim higher education legislative committees no later than September 1, 2014. In addition to recommendations for legislation, the Executive Director of the HECC asked the Task Force to help guide the agency on short- and long-term organizational design issues that may not require statutory changes but would enhance the 40-40-20 goal. The Task Force explored the best possible methods to maintain the operational success of CCWD and change of direct report to the Executive Director of the HECC.

The Task Force is staffed by the HECC and has the following seven members:

Senator Mark Hass, as appointed by the Senate President  
Representative Paul Holvey, as appointed by the Speaker of the House  
Ben Cannon, Executive Director of the HECC  
Betty Duvall, HECC Commissioner  
Ed Dodson (Chair), Chemeketa Community College Board Member  
Debra Derr, Mount Hood Community College, President  
Connie Green, Tillamook Bay Community College, President

The Task Force held five public meetings between June and September, 2014 to perform their charge. Public meeting documents for these meetings may be accessed on the HECC website under [archived meeting materials](#).

---

## CONSIDERATIONS

---

The Task Force began their work with a discussion of intended outcomes and determined their work should be focused on the State's 40-40-20 goal and the operational ongoing needs and success of CCWD supporting the 17 colleges and their local boards. It was noted that the related work of the task force on workforce coordination between the HECC and the Oregon Workforce Investment Board (OWIB) is also underway and may affect the role of CCWD. As additional background, the Task Force reviewed recent legislative history pertaining to CCWD and HECC, particularly HB 3120 and HB 4018, and the current status of the two organizations, including their missions and functions. They completed a review of statutes governing CCWD and were briefed on recent governance reforms in postsecondary education. In this context, they considered the specificity of job duties designated in statute to the Commissioner for Community College Services, the CCWD agency oversight, and support to the community colleges, and weighed the degree of flexibility needed for HECC leadership and local community college leadership.

The Task Force also reviewed the historical background of the community colleges, from formation of community college districts in 1957, to formation of the Office of Community College Services, to the most recent status of CCWD as an agency since 1999. This led to a discussion of the relationship between the community-focused mission of community colleges and the statewide mission of the HECC. The community colleges provided for discussion a Community College Statewide Structure & Support Principles document which was initially developed by the seventeen community colleges in 2013 to outline their needs for state-level coordination and support. The document preamble follows:

“Oregon’s community colleges are designed to serve the educational needs of their local community. Each college is governed by a locally elected seven member board that directly connects the college to the community. Community college board members are accountable to their communities for the success of their students, their ability to meet local needs, and the financial integrity of their colleges. The 17 colleges operate under a strong ethic of collaboration on issues of state-wide importance, ensuring collectively that resources are leveraged to best support the needs of all students and communities.”

This ethic and practice of local control with strong collaboration has been successful because CCWD provided the research, convening, coordinating and technical assistance needed for success. The 17 community colleges represent a wide range of students served, staffing and local capabilities. Their local to statewide collaboration provides the synergistic affect needed to leverage limited resources for greater success.

After discussion in the Task Force, members suggested that the community colleges update and revise the Community College Statewide Structure & Support Principles document to reflect the needs of the HECC. The revised version is included as Appendix C. The revised document was foundational to the community colleges suggesting the ORS changes to the Task Force. The community college representatives believed it an imperative in understanding CCWD’s statutory responsibilities as well as the critical operational support that it provides to community colleges. Key principles include:

- Champion local community college’s right to respond to local needs in effective, flexible ways.
- Support and advocate the broad, comprehensive community college mission.
- Provide leadership and support to community colleges in their continual redesign of educational delivery and structural systems to serve the current, emerging and future educational needs of Oregonians.
- Provide policy and administrative frameworks that supports community colleges.

The Task Force discussed some of the examples in the document that are important to community colleges. A few examples included:

- Support local authority to set priorities and policies that govern community college operations at the local level.
- Recognize the diversity of Oregon’s community colleges and avoid unfunded statewide mandates or regulations.
- Support the community college link to local business and community needs and their role in workforce and economic development.
- Convene and support statewide initiatives that are designed in partnership with the colleges to increase student preparation, persistence and completion.
- Provide assistance, research and best practice information to colleges.
- Create collaborative partnerships with other educational sectors, the workforce system and employers at the state level.
- Create an information infrastructure that enables colleges to use learning analytics.

After discussion, it was agreed that it would be beneficial for the HECC and the community colleges to work together to a shared set of principles. With this recommendation and the agreement for the need of shared principles, the Task Force turned to the language needed in the ORS.

The Task Force affirmed that roles of the HECC include:

“allocating state funding to community colleges, approving program changes at community colleges, and overseeing the process to form or change the boundaries of community college service districts.” With clarity on the roles of the HECC and the need for ongoing consistent operational support of CCWD to the colleges, the Task Force made the following recommendations.

---

## RECOMMENDATIONS

---

The Task Force recommends the following:

- The HECC and community colleges work together to agree to a set of principles of statewide structure and support.
- Throughout the Oregon Revised Statutes, where “Department of Community Colleges and Workforce Development” is stated, change the term “Department” to “Office”. This will provide consistency with the HECC’s other offices such as the Office of Private Postsecondary Education and Office of Student Access & Completion.
- Throughout the Oregon Revised Statutes, where the “Commissioner for Community College Services” is named, change to “Director of the Office of Community Colleges & Workforce Development.” This will provide consistency with the HECC’s leadership.
- Remove 351.762(1)(b) and (3)(d)(B), pertaining to the Director (current Commissioner for Community Colleges) serving under the direction and control of the Chief Education Officer, since

the Executive Director of the HECC reports to the Chief Education Officer and the Director of Office of CCWD will report to the Executive Director of HECC as stated in 351.762(3)(d)(A).<sup>1</sup>

- In ORS 351.762, clarify the HECC as authority to submit budget requests, and clarify that the Director of the Office of Community Colleges & Workforce Development reports to the HECC Executive Director (who reports to the Chief Education Officer, consistent with HB 3120).
- In ORS 351.766, clarify that the HECC has rulemaking authority for the Office that was formerly CCWD. Some rule making authority may be delegated back to the Office where it is more operational than policy.
- In ORS 341.725(2) and ORS 341.728(3), clarify that appropriations for CCWD will be made to the HECC.
- In 351.768(4), where it reads “as authorized by the Legislative Assembly within the commission’s budget,” change “commission’s budget” to “Office of CCWD budget.”
- In 341.455(2), change “A community college may charge a transcribing fee” to “A community college board may charge a transcribing fee.” This was noted as a likely past error in the Statute.
- In 341.739, it was noted that the CCWD will need to receive bond counsel services and financial advisory services through another entity than the Oregon University System once OUS is no longer active. Changes to this section are pending.
- Remove 348.890, which refers to outdated information pertaining to policy direction with the State Board of Education and agreements with the Oregon University System.
- The Task Force recommended that accounts and sub-accounts established in the State Treasury on behalf of CCWD be established as sub-accounts within the account or accounts established in the State Treasury on behalf of the HECC.

A Legislative Concept is being developed based upon these recommendations. It was not available at the time this report was finalized and approved but is expected to be introduced by the HECC for the 2015 Legislative Session. The relevant statutes are attached as Appendix B.

---

<sup>1</sup> This change also ensures consistency with Sec. 2 of the notes preceding ORS 326.011, which were modified by Section 29 of HB 3120 (2013) to remove the Chief Education Officer’s responsibility for direct oversight of Commissioner for Community Colleges.

---

**APPENDIX A: LEGISLATIVE CONCEPT**

---

A Legislative Concept is being developed based upon these recommendations. It was not available at the time this report was finalized and approved but is expected to be introduced by the HECC for the 2015 Legislative Session.

---

**APPENDIX B: CCWD RELEVANT STATUTES**

---

**ORS 351 (FORMERLY ORS 326)**

(Department of Community Colleges and Workforce Development)

**351.755 Department to function under Higher Education Coordinating Commission; rules.** (1) The Department of Community Colleges and Workforce Development is established within the Higher Education Coordinating Commission. The department shall function under the direction and control of the commission, with the Commissioner for Community College Services serving as an administrative officer for community college matters.

(2) The Department of Community Colleges and Workforce Development, in consultation with the Education and Workforce Policy Advisor and pursuant to ORS chapter 183, may adopt any rules necessary for the administration of laws related to the federal Workforce Investment Act that the department is charged with administering. [Formerly 326.370]

**Note:** The amendments to 351.755 (formerly 326.370) by section 39, chapter 747, Oregon Laws 2013, become operative July 1, 2014. See section 204, chapter 747, Oregon Laws 2013.

The amendments to 351.755 by section 3, chapter 83, Oregon Laws 2014, become operative July 1, 2014. (HB 4018, 2014)

**351.758 Department of Community Colleges and Workforce Development Account.** (1) The Department of Community Colleges and Workforce Development Account is established separate and distinct from the General Fund. Except for moneys otherwise designated by statute, all fees, assessments and other moneys received by the Department of Community Colleges and Workforce Development shall be deposited into the State Treasury and credited to the account. All moneys in the account are continuously appropriated to the Higher Education Coordinating Commission for purposes authorized by law.

(2) The department may accept gifts, grants and donations from any source to carry out the duties imposed upon the department. Moneys received under this subsection shall be paid into the account.

(3) The department shall keep a record of all moneys deposited into the account. The record shall indicate by separate cumulative subaccounts the sources from which the moneys are derived and the individual activity or program against which each withdrawal is charged.

(4) Disbursements from the account shall be made as directed by the department. [Formerly 326.373]

**Note:** The amendments to 351.755 by section 3, chapter 83, Oregon Laws 2014, become operative July 1, 2014. (HB 4018, 2014)

**351.762 Commissioner for Community College Services.** (1) The executive director of the Higher Education Coordinating Commission shall appoint a Commissioner for Community College Services who shall:

(a) Serve at the pleasure of the executive director.

(b) Serve under the direction and control of the Chief Education Officer appointed under section 2, chapter 519, Oregon Laws 2011, for matters related to the design and organization of the state's education system.

(2) The commissioner shall be a person who by training and experience is well qualified to perform the duties of the office and to assist in carrying out the functions of the Higher Education Coordinating Commission under this section and ORS 341.015, 341.440, 341.455, 341.626, 341.655 and 341.933.

(3) The commissioner shall:

(a) Be the executive head of the Department of Community Colleges and Workforce Development.

(b) Direct and supervise all activities of the Department of Community Colleges and Workforce Development.

(c) Hire staff, as authorized by the executive director of the Higher Education Coordinating Commission to assist in carrying out the duties of the commissioner. The staff shall be considered employees of the Department of Community Colleges and Workforce Development for purposes of ORS chapters 240 and 243.

(d) Be responsible directly to:

(A) The executive director of the Higher Education Coordinating Commission for those duties enumerated in ORS chapter 341.

(B) The Chief Education Officer for matters related to the design and organization of the state's education system.

(4) The commissioner, with approval of the executive director of the Higher Education Coordinating Commission, shall be responsible for the representation of community college interests to the Governor, the Legislative Assembly, state agencies and others. The commissioner, with the approval of the executive director, shall be responsible for submitting community college budget requests and budget reports for the Department of Community Colleges and Workforce Development to the Legislative Assembly. The commission shall ensure that the budget request for community colleges and for the Department of Community Colleges and Workforce Development are separate and distinct from its other requests to the Legislative Assembly. [Formerly 326.375]

**Note 1:** The amendments to 351.762 (formerly 326.375) by section 185, chapter 747, Oregon Laws 2013, become operative July 1, 2014. See section 204, chapter 747, Oregon Laws 2013.

**351.762.** (1) The State Board of Education shall appoint a Commissioner for Community College Services who shall:

(a) Serve at the pleasure of the board.

(b) Serve under the direction and control of the Chief Education Officer appointed under section 2, chapter 519, Oregon Laws 2011, for matters related to the design and organization of the state's education system.

(2) The commissioner shall be a person who by training and experience is well qualified to perform the duties of the office and to assist in carrying out the functions of the board under ORS 326.041, 326.051, 326.375, 341.005, 341.015, 341.440, 341.455, 341.626, 341.655 and 341.933.

(3) The commissioner shall:

(a) Be the executive head of the Department of Community Colleges and Workforce Development.

(b) Direct and supervise all activities of the Department of Community Colleges and Workforce Development.

(c) Hire staff, as authorized by the State Board of Education to assist in carrying out the duties of the commissioner. The staff shall be considered employees of the Department of Community Colleges and Workforce Development for purposes of ORS chapters 240 and 243.

(d) Be responsible directly to:

(A) The State Board of Education for those duties enumerated in ORS chapter 341.

(B) The Chief Education Officer for matters related to the design and organization of the state's education system.

(4) The commissioner, with approval of the State Board of Education, shall be responsible for the representation of community college interests to the Governor, the Legislative Assembly, state agencies and others. The commissioner, with the approval of the state board, shall be responsible for submitting community college budget requests and budget reports for the Department of Community Colleges and Workforce Development to the Legislative Assembly. The state board shall ensure that the budget

request for community colleges and for the Department of Community Colleges and Workforce Development are separate and distinct from its other requests to the Legislative Assembly.

**Note 2:** The amendments to 351.762 (formerly 326.375) by section 9, chapter 36, Oregon Laws 2012, become operative March 15, 2016. See section 13, chapter 36, Oregon Laws 2012.

**351.764 Advanced Technology Education and Training Fund.** There is created within the State Treasury, separate and distinct from the General Fund, the Advanced Technology Education and Training Fund. Moneys in the fund are continuously appropriated to the Department of Community Colleges and Workforce Development for the purpose of making grants and loans for the provision of advanced technology education and training opportunities under ORS 351.766. [Formerly 326.380]

**351.766 Advanced technology education and training grants and loans; rules.** (1) The Department of Community Colleges and Workforce Development shall establish by rule a process for making grants or loans to public-private partnerships to provide advanced technology education and training opportunities. The purpose of the grants and loans is to support the development and implementation of public-private partnerships to provide advanced technology education and training opportunities in all business and industry sectors for individuals in communities throughout Oregon. The partnerships shall be between public and private entities and may include joint ventures among business and industry, school districts, education service districts, eligible post-secondary institutions as defined in ORS 348.180 and public bodies as defined in ORS 174.109.

(2) A public-private partnership that receives a grant or loan under this section must provide advanced technology education and training opportunities that:

(a) Address current and future workforce development needs dictated by Oregon's rapidly changing economy;

(b) Facilitate sustainable and dynamic economic development in communities by creating flexible opportunities for workforce development;

(c) Establish results oriented, collaborative investments of public and private resources in communities throughout Oregon;

(d) Ensure that Oregon's capacity for economic growth and vitality is not limited by a lack of opportunities for workforce development; and

(e) Provide support to existing community efforts to establish innovative strategies for delivering advanced technology education and training.

(3) The process established by the department for making grants and loans shall ensure that:

(a) Local communities are informed about the availability of the grants and loans;

(b) Advanced technology education and training projects are geographically distributed throughout Oregon;

(c) There is equal opportunity for urban and rural access to quality education and training opportunities;

(d) Representatives of related, ongoing community efforts assist in the implementation of advanced technology education and training projects; and

(e) Procedures and timelines are designed to minimize barriers to receiving funds.

(4) When considering applications for grants and loans, the department shall give priority to advanced technology education and training projects that:

(a) Provide or increase access for individuals to advanced technology education and training through the efforts of local and regional career centers and partnerships and distance education technology available locally and regionally;

(b) In combination with other projects receiving funds, contribute to advanced technology education and training opportunities in every part of the state;

(c) Use federal funds;

(d) Have widespread community support as evidenced by a memorandum of agreement or similar documentation;

(e) Represent an effective sharing of resources through public-private partnerships among business and industry, school districts, education service districts, eligible post-secondary institutions as defined in ORS 348.180 and public bodies as defined in ORS 174.109;

(f) Have a long-term strategic plan and lack only the necessary financial resources;

(g) Provide state-of-the-art technology that meets current standards of business and industry and addresses local and regional economic development priorities;

(h) Help individuals connect education and training with career planning and job opportunities through local and regional career centers as implemented under the federal Workforce Investment Act;

(i) Provide articulated education programs that lead to a degree or an industry-specific skills certification; and

(j) Establish short-term training programs that meet the immediate needs of local employers in their communities.

(5)(a) A public-private partnership awarded a grant or loan under this section shall use the grant or loan for any of the following:

(A) Infrastructure construction or reconstruction.

(B) Equipment or technology purchases.

(C) Curriculum development.

(D) Expansion or revision of a current project to increase the capacity of the project, alter the project plan, change the members of the partnership or address education or employment deficiencies in the community served by the public-private partnership.

(b) A grant or loan awarded under this section for the purpose described in paragraph (a)(D) of this subsection may not exceed \$25,000.

(6) The application for a grant or loan under this section shall include:

(a) The names of the members of the public-private partnership;

(b) A description of standards used to assess the performance of the project;

(c) An estimate of the number of individuals who will be served by the project;

(d) The name of the fiscal agent of the public-private partnership;

(e) A project plan covering at least the first two years after receipt of a grant or loan; and

(f) The name of the person who will be responsible for convening the public-private partnership on a regular basis.

(7) The department may accept contributions of funds and assistance from the United States Government or its agencies or from any other source, public or private, and agree to conditions placed on the funds not inconsistent with the purposes of this section.

(8) Any moneys received by the department through repayment of a loan awarded under this section, or received by the department under subsection (7) of this section, shall be deposited by the department in the Advanced Technology Education and Training Fund. [Formerly 326.382]

**351.768 General Educational Development (GED) certificates; rules; fees.** (1) The Commissioner for Community College Services may issue General Educational Development (GED) certificates to persons who demonstrate satisfactory performance in tests prescribed under subsection (2) of this section or meet the requirements of any prescribed evaluative procedure.

(2) The Higher Education Coordinating Commission by rule may prescribe tests and other appropriate evaluation procedures for the purposes of subsection (1) of this section and may establish age, residence and other relevant qualifications for applicants.

(3) The Department of Community Colleges and Workforce Development may utilize its personnel and facilities for the administration of this section, and the commission may establish by rule a nonrefundable application fee. The fee may be waived by the commission in case of hardship.

(4) Subject to prior approval of the Oregon Department of Administrative Services and a report to the Emergency Board prior to adopting the fee, the fee established under subsection (3) of this section shall not exceed the cost of administering the program, as authorized by the Legislative Assembly within the commission's budget, as the budget may be modified by the Emergency Board.

(5) All moneys received under this section shall be deposited in the State Treasury to the credit of the Department of Community Colleges and Workforce Development and shall be used exclusively for administration of this section. The Department of Community Colleges and Workforce Development shall keep a record of all moneys deposited in such account. The record shall indicate by separate cumulative accounts the source from which the moneys are derived and the individual activity against which each withdrawal is charged.

(6) The Commissioner for Community College Services shall consult with the Superintendent of Public Instruction on all matters related to evaluation procedures used to measure equivalent achievement under this section. The superintendent is authorized to make independent recommendations

on evaluation procedures to the commission in those cases where the superintendent's judgment differs from that of the commissioner. [Formerly 326.550]

**Note:** The amendments to 351.768 (formerly 326.550) by section 40, chapter 747, Oregon Laws 2013, become operative July 1, 2014. See section 204, chapter 747, Oregon Laws 2013.

## **ORS 341 (BECOMES EFFECTIVE 7/1/14)**

**341.019 Provision of services by district; rules; local advisory committees.** (1) All areas within this state shall be served by a community college district. Such services may be provided either:

- (a) Directly by formation of a community college district; or
- (b) Indirectly by contract with an existing community college district.

(2) The Department of Community Colleges and Workforce Development shall fix responsibility for serving each area that is not within a community college district. Where feasible, each area shall be a whole county or a group of counties or that part of a county not already in a community college district.

(3) In order to obtain the services described in subsection (1)(b) of this section, residents of a nondistrict area must indicate their interest in receiving services by requesting formation of a local advisory committee and seeking the advice and counsel of the Department of Community Colleges and Workforce Development.

(4) The Higher Education Coordinating Commission by rule shall establish standards for determining when there is sufficient interest among the residents of a nondistrict area to warrant appointment of a local advisory committee.

(5) When the Department of Community Colleges and Workforce Development has made the determination under subsection (4) of this section, the department and the interested residents of the nondistrict area shall apply jointly to the governing body of the county for the appointment of a local advisory committee.

(6) Upon application, the governing body of the county shall appoint a local advisory committee and shall insure that the committee is broadly representative of the nondistrict area.

(7) If the nondistrict area involves two or more counties, the governing body of each county shall appoint members to the local advisory committee in proportion to the number of county residents within the nondistrict area.

(8) The governing body of a county making appointments under subsection (6) or (7) of this section shall not be obligated to fund any part of the budget described in ORS 341.021 (3).

(9) The duties of the local advisory committee shall include, but need not be limited to, advising the officials of the community college district serving the nondistrict area on the educational needs of the area.

(10) As used in ORS 341.019 to 341.022, "community college district" includes a community college service district. [1987 c.191 §2; 1991 c.757 §3; 2013 c.747 §45]

**341.021 Provision of service outside districts.** (1) The Department of Community Colleges and Workforce Development shall invite existing community college districts to submit proposals for the provision of service to an area that has officially indicated its interest in receiving service.

(2) The responsibilities of the host community college district shall include:

(a) Preparing a written agreement for services to be provided to nondistrict areas using a format specified by the Department of Community Colleges and Workforce Development; and

(b) Acting as the fiscal agent for agreements including establishing tuition and fees for services offered under terms of an agreement.

(3) Agreements between the community college district and nondistrict entities as listed in ORS 341.315 shall include an annual budget setting forth both revenue and expenditures. The budget shall be based upon the following conditions:

(a) Subject to ORS 341.022, eligible full-time equivalent student enrollment produced under the agreement may be claimed for state reimbursement purposes by the community college district. Such reimbursement shall come from the Community College Support Fund established in ORS 341.620 and shall be distributed as directed in ORS 341.626 and the rules of the Higher Education Coordinating Commission.

(b) A share of the budget shall be provided by those individuals or agencies receiving service under this agreement as specified by rule of the commission adopted under ORS 341.024 (3).

(4) Agreements developed under this section shall be wholly supported by Community College Support Fund reimbursement, nondistrict student tuition and nondistrict resources. [1987 c.191 §3; 1991 c.757 §4; 1995 c.67 §4; 2013 c.747 §46]

**341.039 Formation of community college service district; method to change to community college district.** (1) A petition submitted pursuant to ORS 341.025 may specify that the proposed district be organized as a community college service district. The formation of a community college service district shall comply with the provisions of ORS 341.025 to 341.125. A petition affecting a territory that, in the judgment of the Commissioner for Community College Services, will not generate an annual enrollment in excess of 1,000 full-time equivalent students after three years of operation shall be considered to be a petition for the formation of a community college service district.

(2) If formed, a community college service district shall in all respects be governed by the laws applicable to community college districts with the following exceptions:

(a) Notwithstanding ORS 341.675, community college service districts formed after July 1, 1997, may not incur bonded indebtedness for any purpose. This limitation shall not be construed to prohibit lease-purchase arrangements or other lawful forms of capital financing. A community college service district may hold and own buildings and grounds acquired through gifts or financing methods authorized by this section.

(b) The board of education for a community college service district shall annually review the programs and services of the service district. This review shall have as its purpose a determination of which services can most effectively and economically be delivered directly and which services can best be delivered through contracting arrangements. The direct hiring of faculty and staff is expressly permitted.

(3) After having been in operation for at least three years, a community college service district may submit to the electors of the district the question of whether the district shall operate as a community college district.

(4) Prior to submitting the question to the electors, the community college service district must have been in operation for three years, and must have secured the approval of the Higher Education Coordinating Commission to hold the election. Before granting approval, the commission must find:

(a) The service district has acquired stability as demonstrated by a continuity of management, regularly adopted policies and procedures and adequate financial resources; and

(b) The service district has adopted a sound comprehensive plan that sets out the district's instructional and capital plans for five years. [1989 c.261 §3; 1997 c.249 §102; 1997 c.271 §1; 1999 c.21 §67; 1999 c.211 §1; 2013 c.747 §49]

**341.440 Contracts for educational services.** (1) A community college district may contract with another community college district, a common or union high school district, an education service district, a public university listed in ORS 352.002, the Oregon Health and Science University, a private educational institution accredited by the Northwest Commission on Colleges and Universities or its successor or a career school as defined in ORS 345.010 to obtain educational services for students enrolled in the community college of the district. However, the educational services so obtained must meet the standards for educational services provided by the college and the contract price to the college for such services must not exceed the costs that would otherwise be incurred by the college to provide its students the same or similar services.

(2) Educational services for which a district operating a community college may contract include services offered by correspondence and services offered electronically or through telecommunications if such services are accredited by a nationally recognized accrediting association.

(3) For purposes of ORS 341.626, costs incurred under subsection (1) of this section shall be considered operating expenses of the district if the contract is approved by the Commissioner for Community College Services. [1969 c.673 §17; 1987 c.474 §6; 1995 c.67 §18; 1995 c.162 §68; 2009 c.762 §59; 2013 c.1 §36; 2013 c.768 §178]

**341.446 Distribution of community college information to public school students.** (1) At the beginning of each school year, the Department of Community Colleges and Workforce Development shall make the following information available for distribution to public school students who are in grades 11 and 12:

(a) The academic programs and services provided by community colleges;

(b) Recommendations for successful completion of community college programs; and

(c) Any other information identified by the department as being necessary to assist students in preparing to succeed in community colleges.

(2) Representatives of the State Board of Education and the Higher Education Coordinating Commission shall regularly meet for the purpose of improving coordination between public secondary schools and community colleges. [2013 c.354 §2]

**341.455 Credit for career school courses; transcribing fee.** (1) A community college may give credit for courses or programs taken in a career school. The courses or programs for which credit may be given must meet the standards adopted by the Higher Education Coordinating Commission under ORS 345.325, must be taken at a career school domiciled in this state and must be approved for credit by the Commissioner for Community College Services.

(2) A community college may charge a transcribing fee to a student for courses taken at a career school and accepted by the community college under subsection (1) of this section. Such a fee is to be set by the commission and is to be consistent with other student fees.

(3) Time spent by students on such courses shall not be considered as clock hours of instruction in determining full-time equivalency for purposes of ORS 341.626. [1965 c.529 §9; 1975 c.478 §27; 1987 c.474 §8; 1995 c.67 §19; 1995 c.343 §32; 2012 c.104 §40]

**341.487 Admission of nonresident students at resident tuition rate under certain conditions; exchange procedures; rules.** (1) Community colleges in Oregon shall admit students from other states at the same tuition rate assessed against Oregon residents who are residents of the community college district if:

(a) The state in which the student resides agrees to pay and pays its per capita state aid for comparable students in the state to the community college;

(b) The state in which the students reside agrees to permit and permits one-for-one full-time enrollment exchange arrangements that allow an equal number of Oregon residents to be admitted to community colleges or comparable institutions in the state at the same tuition rate assessed against residents of the state and community colleges or comparable institutions in the state in which the students reside agree to admit and admit approved Oregon residents without assessing nonresident tuition; or

(c) The board of the community college determines out-of-state residents are essential to providing the critical mass to offer programs that would otherwise be unavailable to Oregon residents.

(2) The Department of Community Colleges and Workforce Development shall enter into agreements with such other states as are willing to agree to the provisions of this section to establish reimbursement procedures or one-for-one exchange procedures.

(3) In cases described in subsection (1)(a) of this section, the Department of Community Colleges and Workforce Development shall pay from funds available therefor to the state that agrees to pay and does pay its per capita state aid to eligible Oregon community colleges to the credit of the community college or comparable institution educating the Oregon resident an amount equal to the amount that would be available under ORS 341.626 if the Oregon resident were enrolled in a community college in this state. From these same funds, the Department of Community Colleges and Workforce Development shall pay to the Oregon community colleges admitting approved one-for-one exchange students as provided by subsection (1)(b) of this section, from other states, an amount equal to the amount that would be available under ORS 341.626 as if the enrolled one-for-one students were Oregon residents. The Department of Community Colleges and Workforce Development shall not reimburse Oregon community colleges who admit students from other states under subsection (1)(c) of this section.

(4) If a state that has entered into the agreement to pay the per capita state aid to eligible Oregon community colleges as described in subsections (1) and (2) of this section does not make any payment agreed to, the agreement terminates after the affected community college notifies the Higher Education Coordinating Commission of the lack of payment. The termination is effective 30 days after the commission notifies the appropriate agency of the other state that the agreement is terminated if no payment is received by the end of the academic period for which tuition is assessed and no payment is received at that time. The agreement may be reinstated by mutual consent of the parties.

(5) The Higher Education Coordinating Commission shall adopt rules governing attendance in community colleges or comparable institutions in other states for purposes of the reimbursement authorized under subsections (1) and (2) of this section to assure that Oregon residents shall not be the object of such reimbursement if they can obtain the same education within the state without undue hardship. [Formerly 341.527]

**341.551 Optional retirement plan for administrative employees.** (1) Notwithstanding any provision of ORS chapter 238 or 238A, the Department of Community Colleges and Workforce Development may establish and administer an optional retirement plan for administrative employees of community college districts who are eligible for membership in the Public Employees Retirement System. Any community college district may participate in the plan by giving written notice to the department.

(2) An administrative employee may make an election to participate in the optional retirement plan if the community college district that employs the employee is participating in the plan. The election must be made in the following manner:

(a) An administrative employee who is an active member of the Public Employees Retirement System may make an election to participate in the plan within 180 days after the community college district commences participation in the plan, effective on the first day of the month following the election.

(b) An administrative employee who is hired after the community college district commences participation in the plan may make an election to participate in the plan within the first six months of employment, effective on the first day of the month following six full months of employment.

(3) An administrative employee who does not elect to participate in the optional retirement plan remains or becomes a member of the Public Employees Retirement System in accordance with ORS chapters 238 and 238A.

(4) An administrative employee may elect to participate in the optional retirement plan only if at the time the election becomes effective the employee is not concurrently employed in a position with any participating public employer other than the community college district in a position that entitles the employee to membership in the Public Employees Retirement System. Except as provided in subsection (9) of this section, employees who elect to participate in the optional retirement plan are ineligible for active membership in the Public Employees Retirement System for as long as those employees are employed by a community college district that participates in the plan, whether by reason of employment by the district or any other participating public employer.

(5)(a) An administrative employee who elects to participate in the optional retirement plan, who has creditable service under ORS chapter 238 as defined by ORS 238.005 and who is not vested shall be considered by the Public Employees Retirement Board to be a terminated member under the provisions of ORS 238.095 as of the effective date of the election, and the amount credited to the member account of the member shall be transferred directly to the optional retirement plan by the Public Employees Retirement Board in the manner provided by subsection (6) of this section.

(b) An administrative employee who elects to participate in the optional retirement plan, who has creditable service under ORS chapter 238 as defined by ORS 238.005 and who is vested shall be considered to be an inactive member by the Public Employees Retirement Board and shall retain all the rights, privileges and options under ORS chapter 238 unless the employee makes a written request to the Public Employees Retirement Board for a transfer of the amounts credited to the member account of the member to the optional retirement plan. A request for a transfer must be made at the time the member elects to participate in the optional retirement plan. Upon receiving the request, the Public Employees Retirement Board shall transfer all amounts credited to the member account of the member directly to the optional retirement plan and shall terminate all rights, privileges and options of the employee under ORS chapter 238.

(c) An administrative employee who elects to participate in the optional retirement plan and who is not a vested member of the pension program of the Oregon Public Service Retirement Plan as described in ORS 238A.115 on the date that the election becomes effective shall be considered to be a terminated member of the pension program by the Public Employees Retirement Board as of the effective date of the election.

(d) An administrative employee who elects to participate in the optional retirement plan and who is a vested member of the pension program of the Oregon Public Service Retirement Plan as described in ORS 238A.115 on the date that the election becomes effective shall be considered an inactive member of the pension program by the Public Employees Retirement Board as of the effective date of the election. An employee who is subject to the provisions of this paragraph retains all the rights, privileges and options of an inactive member of the pension program. If the actuarial equivalent of the employee's benefit under the pension program at the time that the election becomes effective is \$5,000 or less, the employee may make a written request to the Public Employees Retirement Board for a transfer of the employee's interest under the pension program to the optional retirement plan. The request must be made at the time the member elects to participate in the optional retirement plan. Upon receiving the request, the Public Employees Retirement Board shall transfer the amount determined to be the actuarial

equivalent of the employee's benefit under the pension program directly to the optional retirement plan and shall terminate the membership of the employee in the pension program.

(e) An administrative employee who elects to participate in the optional retirement plan and who is a vested member of the individual account program of the Oregon Public Service Retirement Plan as described in ORS 238A.320 on the date that the election becomes effective shall be considered an inactive member of the individual account program by the Public Employees Retirement Board as of the effective date of the election. An employee who is subject to the provisions of this paragraph retains all the rights, privileges and options of an inactive member of the individual account program. An administrative employee who elects to participate in the optional retirement plan and who is a member of the individual account program of the Oregon Public Service Retirement Plan may make a written request to the Public Employees Retirement Board that all amounts in the member's employee account, rollover account and employer account, to the extent the member is vested in those accounts under ORS 238A.320, be transferred to the optional retirement plan. The request must be made at the time the member elects to participate in the optional retirement plan. Upon receiving the request, the Public Employees Retirement Board shall transfer the amounts directly to the optional retirement plan and shall terminate the membership of the employee in the individual account program.

(f) Notwithstanding paragraphs (b), (d) and (e) of this subsection, the Public Employees Retirement Board shall not treat any employee as an inactive member under the provisions of this subsection for the purpose of receiving any benefit under ORS chapter 238 or 238A that requires that the employee be separated from all service with participating public employers and with employers who are treated as part of a participating public employer's controlled group under the federal laws and rules governing the status of the Public Employees Retirement System and the Public Employees Retirement Fund as a qualified governmental retirement plan and trust.

(6) Any amounts transferred from the Public Employees Retirement Fund under subsection (5) of this section shall be transferred directly to the optional retirement plan by the Public Employees Retirement Board and shall not be made available to the employee.

(7) An employee participating in the optional retirement plan shall contribute monthly an amount equal to the percentage of the employee's salary that the employee would otherwise have contributed as an employee contribution to the Public Employees Retirement System if the employee had not elected to participate in the optional retirement plan.

(8) A participating community college district shall contribute monthly to the optional retirement plan the percentage of salary for each employee participating in the plan that is equal to the percentage of salary that is required to be made as the employer contribution under ORS 238A.220, less any contributions made by reason of unfunded liabilities. The district may make contributions under this subsection only during periods of time in which the employee would be eligible for membership in the Public Employees Retirement System if the employee had not elected to participate in the optional retirement plan.

(9) An administrative employee who elects to participate in the optional retirement plan may make an election to withdraw from the plan. An employee may make an election under this subsection only once. Upon withdrawing from the plan:

(a) All contributions made to the plan before the effective date of the withdrawal remain credited to the employee;

(b) The employee becomes a member of the Public Employees Retirement System under ORS chapter 238A if the member meets all requirements for membership under ORS chapter 238A; and

(c) The employee is barred from ever again electing to participate in the optional retirement plan.

(10) For the purposes of this section, "administrative employee" means a president, vice president or dean, or a person holding a position that is the equivalent of a president, vice president or dean. [2005 c.728 §2]

**341.626 Distribution of state aid; rules.** (1) Subject to rules adopted by the Higher Education Coordinating Commission and to ORS 291.232 to 291.260, the Commissioner for Community College Services shall distribute state aid to each community college district and community college service district.

(2) The rules adopted by the commission shall provide:

(a) No state aid for hobby and recreation classes;

(b) Procedures for proper and accurate record keeping;

(c) Procedures that will insure reasonable year to year stability in the delivery of appropriated moneys to the colleges; and

(d) Procedures to insure that the full state appropriation is delivered to the colleges.

(3) Upon compliance with the rules adopted by the commission, the commissioner shall, as soon as practicable following the receipt of required reports from the districts, prepare, certify and transmit to the Oregon Department of Administrative Services the names and the amounts due each district. The Oregon Department of Administrative Services shall audit the amounts certified by the commissioner and draw its warrants on the State Treasury payable out of the General Fund to the districts. [1987 c.474 §10 (enacted in lieu of 341.625); 2013 c.747 §70]

**341.655 Distribution of federal funds for career and technical education.** (1) As used in this section, “approved expenses” means the operating expenses of community college districts for career and technical education programs that have been approved by the Commissioner for Community College Services.

(2) Federal moneys received for purposes of reimbursing community college districts for career and technical education programs may be used by the districts to pay approved expenses. [1965 c.487 §2; 1967 c.433 §7; 1971 c.513 §67; 1987 c.474 §12; 1993 c.45 §§142,143; 2009 c.94 §15]

**341.665 Receipt of funds for apprenticeship programs.** (1) The receiving community college shall be awarded funds from the contracted out-of-district funds appropriated to the Department of Community Colleges and Workforce Development if the college operates the program under a contract with an apprenticeship training committee and the contract is approved by the Department of Community Colleges and Workforce Development.

(2) A community college district may submit full-time equivalencies generated by apprenticeship programs to the Department of Community Colleges and Workforce Development for reimbursement from the Community College Support Fund for purposes of ORS 341.626 but may not submit for reimbursement those full-time equivalencies generated through contracts under subsection (1) of this section. [1979 c.311 §1; 1995 c.67 §30]

**341.721 Issuance by State Treasurer.** (1) To provide funds to community college districts for the purposes specified in Article XI-G of the Oregon Constitution, the State Treasurer may issue bonds at the request of the Higher Education Coordinating Commission in accordance with the provisions of ORS chapter 286A.

(2) The State Treasurer may not issue bonds pursuant to Article XI-G of the Oregon Constitution under subsection (1) of this section for a community college project unless a grant agreement has been entered into pursuant to ORS 341.735 between the Department of Community Colleges and Workforce Development and the community college district that is receiving the bond proceeds. [2005 c.787 §20; 2007 c.783 §140; 2013 c.747 §71]

**341.725 Community College Capital Construction Fund.** (1) The Community College Capital Construction Fund is established separate and distinct from the General Fund. Interest earned on moneys in the Community College Capital Construction Fund shall be credited to the fund.

(2) Moneys in the Community College Capital Construction Fund are appropriated continuously to the Department of Community Colleges and Workforce Development and may be disbursed by the department for the purposes described in section 1 (2), Article XI-G of the Oregon Constitution pursuant to grant agreements entered into between the department and community college districts under ORS 341.735. [2005 c.787 §21; 2009 c.2 §17; 2011 c.2 §3]

**341.728 Community College Bond Building Fund.** (1) The Community College Bond Building Fund is established separate and distinct from the General Fund.

(2) The Community College Bond Building Fund shall consist of moneys realized from the sale of bonds issued pursuant to Article XI-G of the Oregon Constitution for the benefit of community college districts under ORS 341.721.

(3) Moneys in the Community College Bond Building Fund are appropriated continuously to the Department of Community Colleges and Workforce Development and may be disbursed by the department for the purposes described in section 1 (2), Article XI-G of the Oregon Constitution, including payment of costs related to issuing bonds and payment of debt service on bonds, pursuant to grant agreements entered into between the department and community college districts under ORS 341.735.

(4) Moneys in the Community College Bond Building Fund may be invested as provided in ORS 286A.025 until needed for disbursement under subsection (3) of this section. If a surplus remains in the

fund after disbursement, the surplus and earnings from temporary investments shall be credited to the Community College Bond Sinking Fund. [2005 c.787 §22; 2007 c.783 §141; 2009 c.2 §18; 2011 c.2 §4]

**341.730** [1959 c.641 §8; 1961 c.602 §11; 1965 c.100 §304; renumbered 341.045]

**341.731 Community College Bond Sinking Fund.** (1) The Community College Bond Sinking Fund is established separate and distinct from the General Fund. The Community College Bond Sinking Fund shall be used to provide for payment of the principal and the interest upon bonds issued under the authority of Article XI-G of the Oregon Constitution for the benefit of community college districts under ORS 341.721.

(2) Moneys in the fund are appropriated continuously to the Department of Community Colleges and Workforce Development.

(3) The fund may be invested by the State Treasurer, and earnings on the investments shall be credited to the fund.

(4) The fund shall consist of all moneys received from ad valorem taxes levied pursuant to ORS 291.445, all moneys that the Legislative Assembly may provide in lieu of such taxes, all moneys received as accrued interest upon bonds sold, all earnings from investments of the fund and the proceeds of the sale of refunding bonds.

(5) The department may credit the fund with moneys received from either a sale or interfund transfer of land, buildings or facilities.

(6)(a) The department may not use the fund for any purpose other than the purposes for which the fund was created.

(b) Notwithstanding paragraph (a) of this subsection, the department may transfer any surplus in the fund to other funds designated by the department if a balance remains in the fund and:

(A) The purposes for which the fund was created have been fulfilled; and

(B) A reserve sufficient to meet all existing and future obligations and liabilities of the fund has been set aside. [2005 c.787 §23]

**341.735 Grant agreements for distribution of funds to community college districts; fees.** (1) For the purposes of distributing moneys held in the Community College Capital Construction Fund and the Community College Bond Building Fund, the Department of Community Colleges and Workforce Development shall enter into grant agreements with each community college district for whose projects moneys have been appropriated from the General Fund and are held pending disbursement of the moneys. The grant agreements shall obligate the department to distribute to each community college district any funds the district provides to the state to provide a General Fund match as required by Article XI-G of the Oregon Constitution and shall also obligate the department to distribute to each community college district any amounts that are credited to the Community College Bond Building Fund for a project of the district. The department may impose reasonable conditions and reporting and accounting requirements in a grant agreement described in this section that are intended to ensure that the amounts distributed from the funds listed in this subsection will be used for the projects for which the amounts were distributed.

(2) The grant agreements shall also require that each community college district that receives amounts from the funds listed in subsection (1) of this section shall:

(a) Return to the state any amounts distributed from the Community College Bond Building Fund that are not required to complete the project of that district. Except as provided in this paragraph, the department shall credit the returned amounts to the Community College Bond Sinking Fund. If the department, with the approval of the State Treasurer, determines that the state's costs may be reduced by applying the returned amounts to other projects in lieu of issuing additional bonds for those projects, the returned amounts may be credited to the Community College Bond Building Fund.

(b) Take any action as determined by the state's bond counsel that is necessary to maintain the excludability of the interest paid by the state on the general obligation bonds that the state issues pursuant to Article XI-G of the Oregon Constitution to fund the Community College Bond Building Fund, that is necessary to obtain or maintain the ability of the state to receive federal interest subsidies on those bonds or that is necessary to obtain or maintain any other tax-advantaged treatment under the Internal Revenue Code.

(3) The department may collect fees from community college districts that receive moneys under a grant agreement entered into under this section to cover the costs relating to the administration of the distribution of proceeds from general obligation bonds issued pursuant to Article XI-G of the Oregon Constitution to finance community college district projects and for executing the responsibilities of the

department under the grant agreement. The department shall deposit any moneys collected under this subsection in the Department of Community Colleges and Workforce Development Account. [2005 c.787 §33; 2011 c.2 §5]

**341.739 Bond counsel services; financial advisory services.** The Department of Community Colleges and Workforce Development may receive bond counsel services and financial advisory services through the Oregon University System. If the Department of Community Colleges and Workforce Development receives services through the Oregon University System, the Department of Community Colleges and Workforce Development is not obligated to obtain bond counsel services or financial advisory services as otherwise prescribed in ORS 286A.130 and 286A.132. [2005 c.787 §24; 2007 c.783 §142; 2009 c.762 §60]

## **ORS 660**

**660.300 Definitions for ORS 660.300 to 660.364.** As used in ORS 660.300 to 660.364:

(1) “Chief elected official” means a county commissioner, a county judge or the mayor of the City of Portland.

(2) “Department” means the Department of Community Colleges and Workforce Development.

(3) “Federal Act” or “federal Workforce Investment Act” means the federal Workforce Investment Act of 1998 (enacted as P.L. 105-220 and codified as 29 U.S.C. 2801 et seq.).

(4) “Local workforce investment area” means the City of Portland or a county when the city or county has been designated as a local workforce investment area under ORS 660.324. “Local workforce investment area” may include two or more counties that have joined together to form a local workforce investment area and that have been designated as a local workforce investment area under ORS 660.324.

(5) “Local workforce investment board” means a board established pursuant to section 2832 of the federal Workforce Investment Act of 1998.

(6) “Participant” means a person receiving services under Title I-B of the federal Workforce Investment Act of 1998 (29 U.S.C. 2801 et seq.).

(7) “Participant records” means records relating to matters such as grades, conduct, personal and academic evaluations, results of psychometric testing, counseling, disciplinary actions, if any, and other personal matters.

(8) “Title I-B” means the adult, dislocated worker and youth programs delivered under the federal Workforce Investment Act of 1998 (29 U.S.C. 2801 et seq.). [Formerly 285A.443]

**660.318 Duties of Department of Community Colleges and Workforce Development; rules.** (1) To implement and oversee state implementation of Title I-B, the Department of Community Colleges and Workforce Development may:

(a) Receive federal youth activities funds allotted to this state by the Secretary of Labor pursuant to Title I-B and allocate those funds that are not reserved according to an allocation formula recommended by the State Workforce Investment Board and approved by the Governor.

(b) Receive federal adult employment and training activities funds allotted to this state by the Secretary of Labor pursuant to Title I-B and allocate those funds that are not reserved according to an allocation formula recommended by the State Workforce Investment Board and approved by the Governor.

(c) Receive federal dislocated worker funds allotted to this state by the Secretary of Labor pursuant to Title I-B and allocate those funds that are not reserved according to an allocation formula recommended by the State Workforce Investment Board and approved by the Governor.

(d) Establish a procedure for use by local workforce investment boards to identify eligible providers of training services according to section 2864 of the federal Act and to maintain the list of providers identified as eligible by the boards in all local workforce investment areas in this state.

(e) Receive the comprehensive strategic plan developed and implemented by each local workforce investment board and review the plan, with input from representatives of state and local workforce programs, to determine if the plan meets the requirements of section 2833 of the federal Act and state policy.

(f) Approve the plans, after review by the State Workforce Investment Board, that are found to meet the requirements of Title I-B and review and approve any amendments to the plans.

(g) Carry out the required and allowable activities described in section 2864 of the federal Act with the advice of the Education and Workforce Policy Advisor.

(h) Pursuant to ORS 660.339, establish procedures to maintain the confidentiality of the names and records of participants in workforce programs for which the department is responsible, including circumstances under which the names and records may be disclosed.

(i) Establish a method to set performance standards for the Secretary of Labor as required under section 2871 of the federal Act.

(j) Perform planning functions related to Title I-B programs and performance reporting.

(2)(a) Subject to the availability of funds from the federal Workforce Investment Act, the Department of Community Colleges and Workforce Development shall create and operate a summer youth employment program that reestablishes meaningful summer work experience for persons between the ages of 14 and 24 and that meets the requirements for funding under the federal Act.

(b) Programs funded under this subsection:

(A) Must include representatives of the business community in the planning, implementation and evaluation of the program.

(B) May provide for private and public sector employment opportunities.

(C) Shall be managed by local workforce investment boards in a manner that coordinates regional state-sponsored youth work experience programs.

(c) Local workforce investment boards responsible for managing programs created under this subsection shall provide training for business, labor and education leaders in use of best practices that assure positive summer work experiences for participants.

(3) The Department of Community Colleges and Workforce Development shall collaborate with the State Workforce Investment Board and local workforce investment boards to collect data on summer work experience programs that identify successful summer work experiences and allow for the identification and dissemination of promising practices.

(4) The Higher Education Coordinating Commission, in consultation with the State Workforce Investment Board, may adopt rules pursuant to ORS chapter 183 to implement this section. [2001 c.684 §11; 2009 c.836 §6; 2013 c.747 §171]

**660.339 Participant records; confidentiality; when records available for inspection or release; rules.** (1) All participant records maintained by the local workforce investment boards or any public or private agency involved in Title I-B programs shall be confidential and except as provided in ORS 660.300 to 660.364 shall be open for inspection only in accordance with such rules as the Department of Community Colleges and Workforce Development shall adopt.

(2) A participant may provide written consent for the examination or release of any record pertaining to the participant.

(3) All information contained in participant files shall be available for inspection by the participant, and the participant's parent or legal guardian if the participant is under 18 years of age. Participant behavioral records shall be released only in the presence of an individual qualified to explain or interpret the records.

(4) The department may adopt rules to provide the circumstances under which participant names or records may be made available for inspection when:

(a) Ordered by a court of competent jurisdiction.

(b) Necessary to protect the health or safety of a participant or another.

(c) Necessary to provide information to state and local agencies administering ORS 412.001 to 412.161 and 412.991 and ORS chapters 418 and 657, other programs under the federal Workforce Investment Act of 1998 and other mandatory programs under this state's one-stop service delivery system.

(d) Necessary for program staff work or studies of a statistical or demographic nature.

(e) Necessary to carry out the planning and coordinating functions between state and local agencies under Title I-B of the federal Workforce Investment Act, other applicable state laws or those functions assigned by the Education and Workforce Policy Advisor. [Formerly 285A.446]

**660.340 Oregon Employer Workforce Training Program; rules.** (1) There is created in the Department of Community Colleges and Workforce Development the Oregon Employer Workforce Training Program. Subject to the availability of funding, the department shall create and operate, and local workforce investment boards shall manage, the program for the purpose of:

(a) Assisting businesses and consortia of businesses in implementing projects that identify and provide cost-effective solutions to the issues of employee training, retention and advancement;

(b) Maximizing the utilization of public and private resources for providing training to employed persons in skills that are responsive to the need of businesses and industries in Oregon to become and to remain competitive on the national and international level; and

(c) Responding to the need of workers in Oregon to develop current job skills necessary to meet the current and future needs of employers.

(2)(a) Businesses in industries identified in the plans developed by local workforce investment boards as required by ORS 660.327 are eligible to participate in projects selected for participation in the program.

(b) Priority for approval of projects submitted under this subsection shall be given to businesses in industries that have the greatest impact on the local economy and emerging green jobs.

(3) Local workforce investment boards shall:

(a) Identify businesses and consortia of businesses for potential participation in the program;

(b) Develop and implement an application process for projects proposed for the program;

(c) Notwithstanding the provisions of the Public Contracting Code, use an open and competitive procurement process for agreements entered into with participants in the program;

(d) Require that businesses participating in a project provide private sector funding equal to the amount of state funding provided for the project; and

(e) Track and report to the department the outcomes of projects implemented in the local workforce investment area, including, but not limited to:

(A) The number of businesses participating in approved projects;

(B) The number and types of projects completed;

(C) The number of employees receiving training;

(D) The number of jobs retained or created by the businesses participating in the project; and

(E) The value of the private sector funding provided.

(4) The Higher Education Coordinating Commission shall adopt rules necessary for the implementation and operation of the program created under subsection (1) of this section. The rules shall include, but are not limited to, a process by which moneys may be appropriated and allocated to the local workforce investment boards to support projects identified by the local workforce investment boards under subsection (3) of this section. [2011 c.702 §2; 2013 c.747 §172]

**660.341 Oregon Employer Workforce Training Fund.** The Oregon Employer Workforce Training Fund is established in the State Treasury, separate and distinct from the General Fund. Interest earned by the Oregon Employer Workforce Training Fund shall be credited to the fund. Moneys in the fund are continuously appropriated to the Department of Community Colleges and Workforce Development for the purposes of ORS 660.340. [2011 c.702 §3]

**660.343 Oregon National Career Readiness Certification Program; rules; annual report.** (1) There is created in the Department of Community Colleges and Workforce Development the Oregon National Career Readiness Certification Program to certify the workplace and college readiness skills of Oregonians and to better prepare Oregonians for continued education and workforce training, successful employment and career advancement in a demand-driven, skills-based economy.

(2) Program services may be offered through public high schools, community colleges, local and regional career centers and any other institutions determined to be appropriate by the department to residents of Oregon and to employees of businesses located in Oregon.

(3) Services provided by the program shall include, but are not limited to:

(a) An assessment process that identifies the proficiency level of program participants in work-ready skills including, but not limited to, reading, applied mathematics, locating information and any additional skills determined by the department to be necessary to meet business and industry skill demands;

(b) Targeted instruction and remedial skills training to provide work-ready skills in which program participants are not proficient, as determined by the assessment process described in paragraph (a) of this subsection, and that have been identified by the department as work-ready skills required by local employers;

(c) Issuance of a National Career Readiness Certificate to program participants who demonstrate proficiency in work-ready skills, as determined by the assessment process described in paragraph (a) of this subsection, and who satisfy any other requirements for certification adopted by the department by rule;

(d) Providing information to school districts, community colleges and community college service districts about the National Career Readiness Certificate and the assessments, targeted instruction and remedial skills training available through the program; and

(e) An online database that:

(A) Serves as the repository for National Career Readiness Certificate attainment data.

(B) Provides online access to program data that enables employers to determine the work skill proficiency level of individual program participants and to locate certified individuals on a statewide or regional basis.

(C) Provides individual program participants the opportunity for career exploration, continuing education, job readiness practice and job searches.

(D) Provides individual program participants the opportunity to opt out of the database in accordance with rules adopted by the department.

(4) The Department of Community Colleges and Workforce Development, after consultation with the State Workforce Investment Board, the Department of Education and the Higher Education Coordinating Commission, shall adopt rules for the implementation and administration of the program created under subsection (1) of this section.

(5) By September 1 of each year, school districts, community colleges and community college service districts shall report to the Department of Community Colleges and Workforce Development the rate of participation in and the total number of students enrolled in the district or community college who utilized the services provided by the program in the most recently concluded school year.

(6) The Department of Community Colleges and Workforce Development shall submit a report on program outcomes and recommendations for improving and funding the program to the appropriate interim legislative committees and to the Governor by December 1 of each year. The report shall include a summary of the information required under subsection (5) of this section. [2009 c.836 §2; 2011 c.148 §1; 2013 c.747 §192]

**660.346 Integrated workforce delivery system; occupational prioritization; rules.** (1)(a) The Department of Community Colleges and Workforce Development, in collaboration with the Employment Department and the State Workforce Investment Board, shall develop and implement a demand-driven, skills-based integrated workforce delivery system focused on skills and talent development.

(b) The integrated workforce delivery system implemented under paragraph (a) of this subsection must include, and the Department of Community Colleges and Workforce Development shall maintain, a workforce training inventory of prioritized occupations.

(c) The Department of Community Colleges and Workforce Development shall prioritize recommendations for the allocation of workforce training resources by the integrated workforce delivery system based on occupational prioritization data developed by the Employment Department.

(2) The Department of Community Colleges and Workforce Development shall adopt rules necessary for the implementation and administration of the integrated workforce delivery system developed under subsection (1) of this section. [2009 c.836 §3]

**660.349 Grant program for collaborative pilot projects providing high school students experience and education in architecture, construction trades and engineering; rules.** (1)(a) There is created in the Department of Community Colleges and Workforce Development a program to make grants to pilot projects to promote hands-on experience and education in the fundamentals and core competencies in architecture, construction trades and engineering for high school juniors and seniors.

(b) Pilot projects funded by the program created under this subsection shall be based on collaborative efforts between local school districts, community colleges, business organizations and labor organizations that provide participants the opportunity for education and training in skills required to meet the workforce development needs of local, regional and statewide employers.

(c) The department may apply for and receive grants and gifts from public and private sources to fund grants provided under this section.

(2) The program created under subsection (1) of this section for making grants to pilot projects shall ensure that:

(a) Local communities are informed about the availability of the grants;

(b) The pilot projects are geographically distributed throughout Oregon;

- (c) Urban and rural participants have equal opportunity to access quality educational opportunities;
  - (d) Representatives of related, ongoing community efforts assist in the implementation of architecture, construction trades and engineering education and training; and
  - (e) The program and timelines are designed to minimize barriers to receiving funds.
- (3) When considering applications for grants, the program shall give priority to pilot projects that:
- (a) Provide access for high school juniors and seniors to architecture, construction trades and engineering education and training through the efforts of local and regional career centers and public-private consortia;
  - (b) In combination with other projects receiving funds, contribute to architecture, construction trades and engineering education and training opportunities in every part of the state;
  - (c) Use private and federal funds;
  - (d) Facilitate sharing of resources through public-private partnerships including collaboration among local school districts, community colleges, business organizations and labor organizations;
  - (e) Have a long-term strategic plan and lack only the necessary financial resources;
  - (f) Help students connect education and training with career planning and job opportunities through local and regional career centers implemented under the federal Workforce Investment Act;
  - (g) Provide articulated secondary and post-secondary education programs that are designed to lead to a degree or industry-specific skills certification; and
  - (h) Establish short-term training programs that meet the immediate needs of local and regional employers.
- (4)(a) The department shall include in the program created under subsection (1) of this section a process for the certification of instructors for the program to provide education and practical experience in architecture, construction trades and engineering.
- (b) The department shall adopt by rule requirements for the certification of instructors described in paragraph (a) of this subsection.
- (c) Notwithstanding the requirements adopted under paragraph (b) of this subsection, a person qualified to serve as an instructor in a state-recognized apprenticeship program is qualified for certification as an instructor for projects implemented under this section. [2009 c.836 §4]
- 660.352 Youth Employment Enhancement Fund.** There is established in the State Treasury, separate and distinct from the General Fund, the Youth Employment Enhancement Fund. Moneys in the fund are appropriated continuously to the Department of Community Colleges and Workforce Development for the purposes of ORS 660.349. [2009 c.836 §5]
- 660.353 Oregon Youth Employment Program; rules.** (1) There is created in the Department of Community Colleges and Workforce Development the Oregon Youth Employment Program. Subject to the availability of funding, the department shall create and operate, and local workforce investment boards shall manage, the program to provide meaningful work experience and workforce training for persons between the ages of 14 and 24.
- (2) The program shall provide to participants in the program case management and support services that include, but are not limited to:
- (a) Developing an individual development plan for the participant that outlines work readiness, career and educational goals;
  - (b) Work readiness instruction;
  - (c) At least 12 weeks of paid internships or other work experience; and
  - (d) Academic support for earning high school graduation credit, completion of a General Educational Development (GED) certificate program or earning college credit for work experience or internships provided through the program.
- (3) The program:
- (a) Plan, implementation procedures and evaluation criteria shall be described in the local plan developed by a local workforce investment board under ORS 660.327.
  - (b) May provide for public and private sector employment opportunities.
- (4) Local workforce investment boards responsible for managing the program shall ensure appropriate training and positive work experiences for participants.
- (5) The department shall collaborate with the local workforce investment boards to collect data on youth work experience programs that identify successful work experiences and allow for the identification and dissemination of the most promising practices. The data collected shall also include the number of

participants in the program, the number of participants that complete the program, the cost of internships and other work experiences provided, the academic credit earned by participants and the number of General Educational Development (GED) certificates earned by participants.

(6) The department shall adopt rules necessary for the implementation and operation of the program created under subsection (1) of this section. The rules shall include, but are not limited to, establishing eligibility criteria for persons participating in the program. [2011 c.702 §4]

**660.354 Oregon Youth Employment Fund.** The Oregon Youth Employment Fund is established in the State Treasury, separate and distinct from the General Fund. Interest earned by the Oregon Youth Employment Fund shall be credited to the fund. Moneys in the fund are continuously appropriated to the Department of Community Colleges and Workforce Development for the purposes of ORS 660.353. [2011 c.702 §5]

## **ORS 344**

**344.070 Revolving accounts for federally sponsored education or training; rules.** (1) The Oregon Department of Administrative Services may draw warrants upon any state fund to which federal funds for training or education have been credited, in payment of vouchers approved by the Superintendent of Public Instruction or the Commissioner for Community College Services pursuant to rules of the Higher Education Coordinating Commission, in favor of school districts, education service districts and community college districts, for such sums, not exceeding \$100,000 for a single district in the aggregate, as the commission, by rule, shall determine. The warrants, upon delivery to the districts, shall constitute advances from state funds to enable the districts more readily to effectuate the purposes set forth in any federal law or regulation pertaining to career and technical education or other education or training sponsored by the federal government.

(2) The districts to which moneys are advanced shall be responsible for the full repayment to the state of all sums advanced. The advances are not within any limitation upon indebtedness prescribed by law for districts. The moneys advanced to districts may not exceed in the aggregate the moneys to the credit of the state fund from which they are paid, and shall constitute advances to the recipient district in anticipation of verified vouchers to be supplied therefor. The advances are to be used as revolving funds for the payment of the costs of career and technical education programs, including but not limited to job training, skill development and academic programs offered by youth job development organizations as defined in ORS 344.415. The advances shall be made only in those cases in which the federal government defrays all or part of the cost of such programs. [Amended by 1965 c.100 §435; 1965 c.102 §1; 1983 c.740 §109; 1989 c.491 §48; 1993 c.45 §244; 2009 c.94 §18; 2013 c.131 §5; 2013 c.747 §76]

**344.080 Reimbursement vouchers; accounts and records; bond; rules.** (1) All reimbursement vouchers for claims paid from the revolving funds mentioned in ORS 344.070 shall be approved by the Superintendent of Public Instruction or the Commissioner for Community College Services pursuant to rules of the Higher Education Coordinating Commission. When vouchers are so approved, warrants covering the same shall be drawn by the Oregon Department of Administrative Services, payable from the appropriate fund, and be used to reimburse the revolving funds.

(2) The districts receiving the advances shall maintain their accounts and records so as to disclose at all times the true status of the unpaid vouchers issued for the reimbursement of the funds, the district warrants drawn against the funds advanced and the balances to the credit of the funds.

(3) The revolving funds and accounts shall be subject to examination and audit by the state in the manner provided by law for other state funds and accounts. The commission may require an audit of the revolving accounts and shall take proper precautions as to the safety of, and accountability for, all funds advanced.

(4) The commission may require the filing with it of a bond of a corporate surety duly licensed to transact business in this state to insure the proper handling of and responsibility for any funds advanced. The bond shall be cumulative and supplemental to fidelity insurance coverage already held by the district concerned. The state may have recourse to any and all fidelity bonds of clerks or other financial officers of the district to protect such advances. [Amended by 1983 c.740 §110; 1989 c.491 §49; 1993 c.45 §245;

**344.090 Procedure when training and educational programs are no longer needed, or when advances are improperly handled or accounted for.** When it appears to the Superintendent of Public Instruction or the Commissioner for Community College Services that the training and educational programs for which funds are advanced under ORS 344.070 have been completed, or that the need for

the advances or revolving funds no longer exists, or that the sums advanced are not being properly handled or accounted for, the superintendent or commissioner may require that all or part of the amounts advanced to any district shall be returned, with any interest earned, to the state funds or accounts from which the amounts originally were withdrawn. Upon receipt of notification from the superintendent or commissioner that funds advanced are to be returned, the district concerned shall immediately repay the same to the State Treasurer, for credit to the proper fund or account. To the extent that funds advanced are so repaid, security or protection theretofore required by the Higher Education Coordinating Commission under ORS 344.080 (4) to insure the safety of such funds may be released. [Amended by 1989 c.491 §50; 1993 c.45 §246; 2013 c.747 §78]

**344.125 Collaboration by state agencies on issues related to career and technical education; joint report.** (1) Representatives from the Department of Education, the Department of Community Colleges and Workforce Development and the Bureau of Labor and Industries shall meet at least four times each year for the purpose of promoting collaboration between the agencies on issues related to career and technical education.

(2) Issues to be addressed by the agencies shall include the development and implementation of long-term goals that:

(a) Ensure that career and technical education programs are available at the public schools of this state and through youth job development organizations as defined in ORS 344.415, are founded on partnerships with business and industry and receive appropriate investments of time, money and other resources.

(b) Develop regional centers that establish any appropriate partnerships between public schools, community colleges, public universities, businesses, unions and other entities and that ensure that every student of this state has access to a regional center in person or online.

(c) Encourage the establishment of joint high school and community college advisory committees that may include representatives of public schools, community colleges, public universities, businesses and unions to:

(A) Make more effective use of resources;

(B) Promote articulation and pathways between high school programs and post-secondary school programs;

(C) Ensure that current industry workforce needs are considered and that curriculum is kept current with state standards; and

(D) Increase opportunities for internships, apprenticeships and other opportunities that may lead to employment in the region.

(d) Address academic requirements and regulatory barriers that inhibit successful movement of students in career and technical education from high schools to post-secondary school programs and the workforce.

(e) Implement accelerated college credit programs that allow students to move seamlessly from public schools to post-secondary education or training to the workforce.

(f) Increase professional development opportunities for teachers and learning opportunities for students through industry mentorships, internships, summer programs, after-school programs and career-based student leadership opportunities.

(g) Establish partnerships between public and private entities for the purpose of educating students, parents, teachers, school advisors, policymakers and the general public about the benefits and opportunities related to career and technical education.

(3) The agencies identified in subsection (1) of this section shall make a joint report by December 31 of each year to the appropriate legislative committees concerning progress on the development and implementation of the goals described in subsection (2) of this section and may submit recommendations for legislation that will promote opportunities related to career and technical education. [2011 c.682 §6; 2013 c.131 §7; 2013 c.745 §1]

## **ORS 348**

**348.890 Higher Education Coordinating Commission policy direction for implementation of agreements.** (1) The Higher Education Coordinating Commission shall provide policy direction to implement regional partnership proposals and any other joint program or activity approved by the State

Board of Education, the State Board of Higher Education and the governing board of a public university with a governing board listed in ORS 352.054.

(2) Notwithstanding ORS 351.063 (3), the Department of Community Colleges and Workforce Development and the Oregon University System may use appropriations from the General Fund to implement agreements approved by the Higher Education Coordinating Commission that provide direct aid to a student, or other incentives that encourage shared use of facilities, programs and other resources of public universities listed in ORS 352.002 and community colleges. [1977 c.306 §3; 1987 c.880 §16; 1997 c.249 §109; 1999 c.450 §1; 2009 c.762 §66; 2011 c.637 §§205,205a; 2013 c.768 §35]

---

## APPENDIX C: COMMUNITY COLLEGE STATEWIDE STRUCTURE AND SUPPORT PRINCIPLES

---

Oregon's community colleges are designed to serve the educational needs of their local community. Each college is governed by a locally elected seven member board that directly connects the college to the community. Community college board members are accountable to their communities for the success of their students, their ability to meet local needs, and the financial integrity of their colleges. The 17 colleges operate under a strong ethic of collaboration on issues of state-wide importance, ensuring collectively that resources are leveraged to best support the needs of all students and communities. Through these efforts, colleges are working together to advance the ideas of access, student success and completion. Community Colleges are a strong partner in each segment of Oregon's 40-40-20 vision.

### **A statewide structure and support for Oregon community colleges will:**

- **Champion local community college's right to respond to local needs in effective, flexible ways.**
  - Ensure that locally elected boards of education and the powers enumerated in ORS 341 are upheld.
  - Support local authority to set priorities and policies that govern community college operations at the local level.
  - Recognize the diversity of Oregon's community colleges and avoid unfunded statewide mandates or regulations.
  - Recognize the unique mission and structure of community colleges as distinct and different from K-12 or the Oregon public universities, while strengthening and deepening partnerships with both equally.
  - Support the community college link to local business and community needs and their role in workforce and economic development.
  
- **Support and advocate the broad, comprehensive community college mission.**
  - Support transfer, professional-technical, basic skills and community education programs based on local needs.
  - Support student preparation, persistence and completion at all levels.
  - Increase education delivery/partnerships between high schools and community colleges through accelerated learning options.
  - Increase educational transfer from community colleges to universities.
  - Align state finance and budget decisions with the community college mission and objectives and make funding requests to the Governor and the Legislature that further the mission and objectives
  - Create a strong partnership between the state and local colleges that clearly identifies and supports the role and relationship of each.

- Maintain open communication on issues of community college whether one or many to increase consistency where student success is the outcome.
- **Provide leadership and support to community colleges in their continual redesign of educational delivery and structural systems to serve the current, emerging and future educational needs of Oregonians.**
  - Convene and support statewide initiatives that are designed in partnership with the colleges to increase student preparation, persistence and completion.
  - Provide assistance, research and best practice information to colleges.
  - Create collaborative partnerships with other educational sectors, the workforce system and employers at the state level.
  - Create an information infrastructure that enables colleges to use learning analytics.
- **Provide policy and administrative frameworks that supports community colleges.**
  - Create targeted administrative rules to the extent necessary to address state level issues while supporting local boards' roles over all other policies governing the operation of the college.
  - Distribute state money to the colleges supports student preparation, persistence and completion in an equitable manner that so about students
  - Provide audit functions to ensure that data from the colleges is accurate.
  - Approve the creation of new college degree and certificate programs proposed by colleges and ensure that there is no unnecessary duplication of programs.