Lane
Community College

HIGHER EDUCATION COORDINATING COMMISSION

HECC AGENCY OPERATIONS BUDGET, CONCLUSION

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Presented to: Joint Committee on Ways and Means, Subcommittee on Education

2019 PRESENTATION, DAY 14

Presentation Schedule

Days 1-2	• Introduction to Postsecondary Education and Training in Oregon: Agency Overview, Mission, Goals, Budget Components, History of Funding, National Context
Day 3	• Affordability: Key Factors, State Financial Aid Programs
Day 4	• Learner Pathways and Transitions: Pre-College Programs and Outreach, Transitions to Career Success, Industry Needs, Supporting Learners in a PK-20 System, Private Postsecondary Oversight and Coordination
Day 5	• Public Testimony
Days 6-7	• State Support for Community Colleges: Students Served, Funding Impacts, Capital Construction • Community College presentations
Day 8	• Public Testimony
Days 9-10	• State Support for Public Universities: Students Served, Funding Impacts, Capital Construction • University presentations
Day 11	• Other Missions of Universities: Statewide Public Services, State Programs
Day 12	• Public Testimony
Day 13	• OHSU, Public Testimony
Day 14	• An Integrated Postsecondary Agency: HECC Operations Agency Budget, Conclusion

HECC Offices represented by presenters:

OFFICE OF EXECUTIVE DIRECTOR, ALL HECC

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A **Vision** for Oregon Postsecondary Education

*"The Higher Education Coordinating Commission (HECC) envisions a future in which **all Oregonians** -- and especially those whom our systems have underserved and marginalized – **benefit from the transformational power of high-quality postsecondary education and training**."*

*"It is a future where **innovative colleges, universities, and training providers**, both public and private, help Oregonians to reach their highest potentials, **build trajectories to family-wage careers, foster a more just society, and break patterns of intergenerational poverty**."*

*"It is a future where **postsecondary education fuels a resilient economy** by anticipating workforce needs and by fostering innovation, research, and knowledge. In the future we envision, all Oregonians enjoy well-lived lives thanks to the myriad benefits of postsecondary education and training..."*

From the HECC Strategic Framework, December 2017

HIGHER EDUCATION COORDINATING COMMISSION

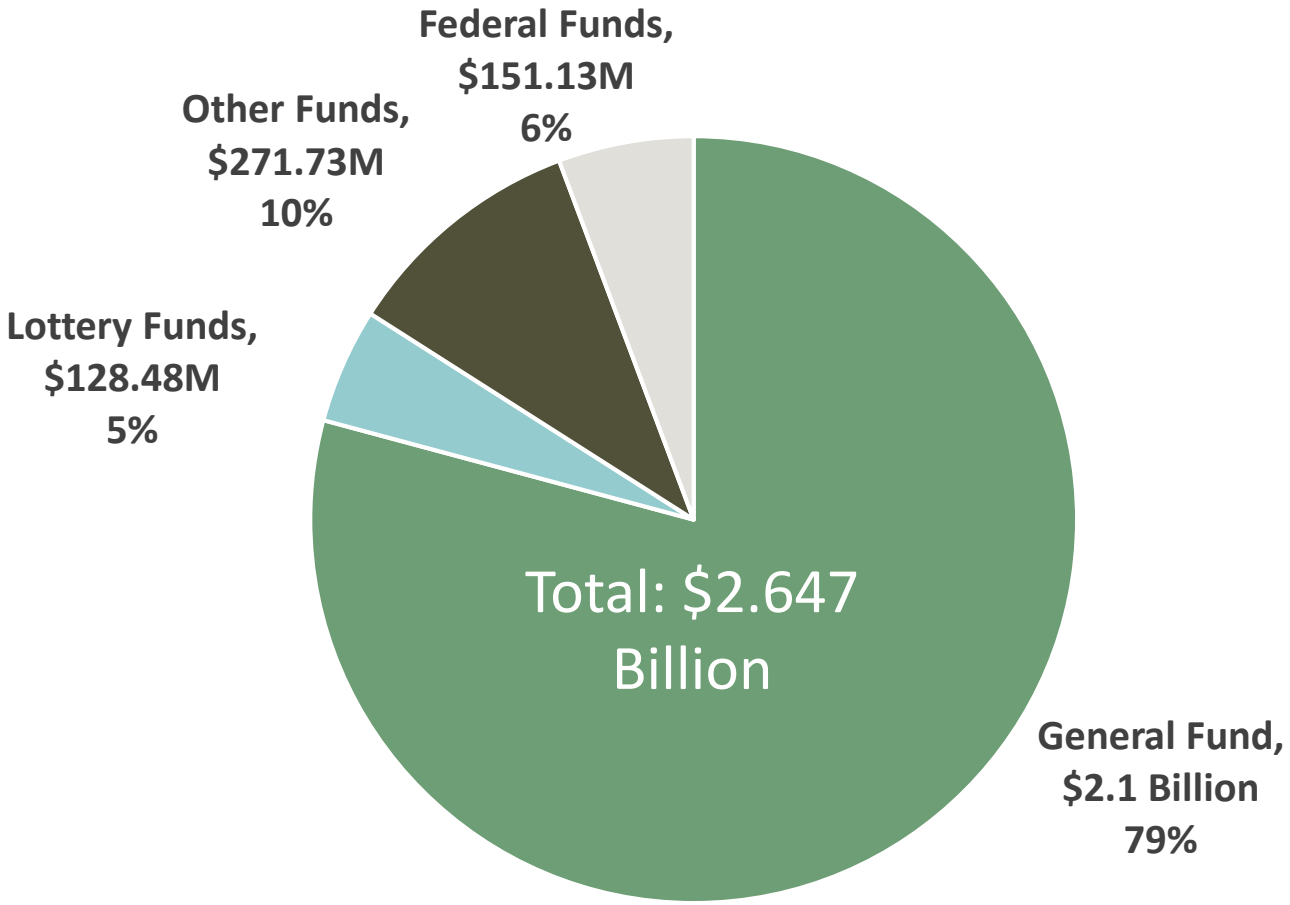
HECC Organizational Chart and Positions

The Higher Education Coordinating Commission is a 14-member volunteer commission appointed by the Oregon Governor. The Commission is supported by the Higher Education Coordinating Commission state agency, comprised of eight distinct offices.

Executive Director

Office of the Executive Director	8 Positions/8 FTE. *GRB Adds 4 positions/3.14 FTE*
Office of Community Colleges & Workforce Development (CCWD)	14 Positions/13.7 FTE
Office of Academic Policy and Authorization	15 Positions/12.49 FTE
Office of Student Access & Completion (OSAC)	23 Positions/20 FTE
Office of Workforce Investments	20 Positions/19.67 FTE *GRB adds 2 positions/1.71 FTE*
Office of Postsecondary Finance & Capital	4 Positions/4 FTE
Office of Research & Data	11 Positions/8.88 FTE
Office of Operations	34 Positions/32 FTE *GRB adds 2 positions/1.66 FTE*

Higher Education Coordinating Commission Current Service Level Budget (CSL) by Fund Type



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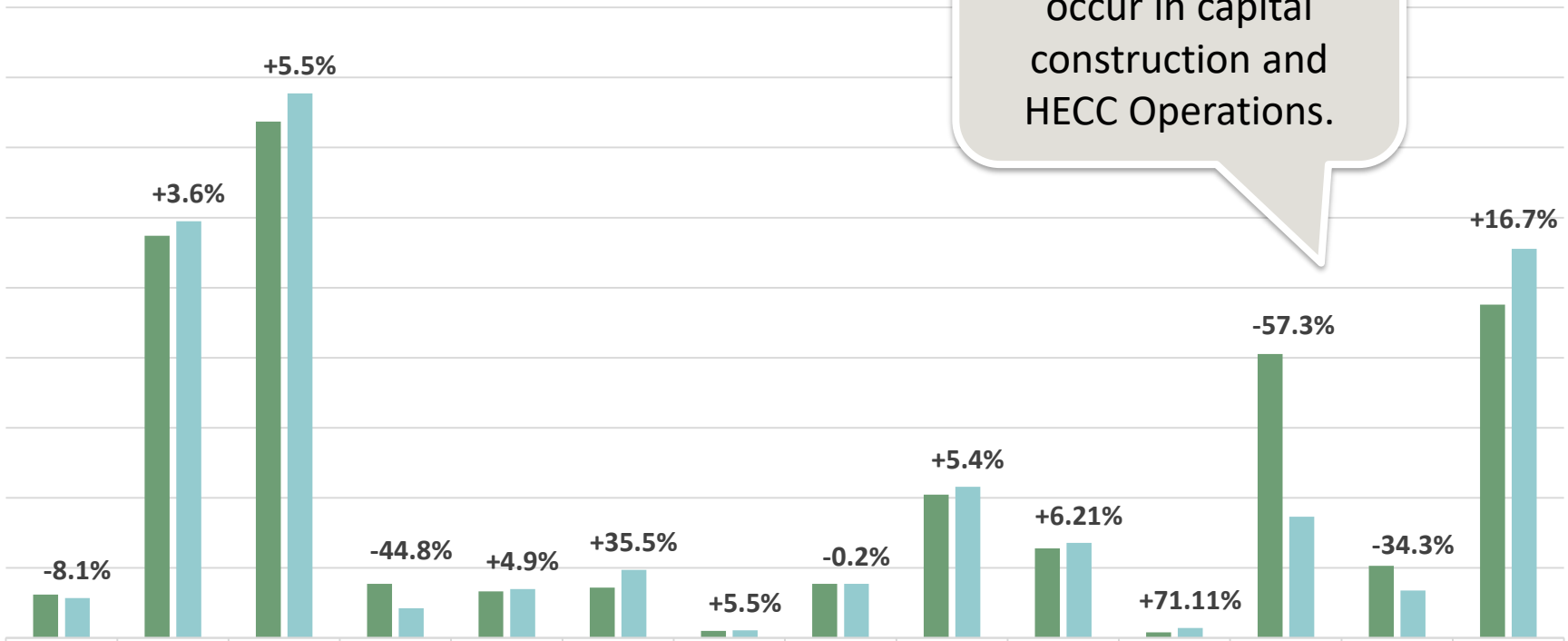
Net Change in CSL From 2017-’19 LAB

Overall Change: -11.77% or $353,142,216 Reduction

Reductions in CSL occur in capital construction and HECC Operations.



	Operations	Support to Community Colleges	Public University Operations & Student Support	Public University State Programs	Agriculture Experiment Station	Extension Service	Forest Research Laboratory	OHSU Programs	Student Assistance	Workforce & Other Special Payments	Sports Lottery	Public University Capital Construction	Community College Capital Construction	Debt Service
2017-'19 LAB	$62,086,828	$573,985,995	$736,898,583	$77,182,087	$66,468,861	$71,717,403	$10,224,041	$77,277,432	$204,642,271	$127,702,489	$8,240,000	$405,475,000	$102,897,241	$475,921,763
2019-'21 CSL	$57,072,442	$594,827,267	$777,428,006	$42,638,996	$69,723,749	$97,147,707	$10,786,363	$77,161,533	$215,648,629	$135,632,774	$14,099,809	$173,000,000	$67,656,991	$555,410,503

2017-'19 LAB 2019-'21 CSL

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HECC: Total Agency Budget

Activity	Description	2017-19 LAB	2019-21 CSL	2019-21 GRB
Higher Education Coordinating Commission Agency Budget	Includes all special payments, personal services, services and supplies, and debt service funds for all HECC programs.	$3,000.7M Total $1,949.0M GF $96.57M LF $813.4M OF $141.7M FF	$2,647.6M Total $2,096.2M GF $128.5M LF $271.7M OF $151.1M FF	$2,722.4M Total $1,945.7M GF $100.7M LF $524.5M OF $151.5M FF
Change from 2017-19				-9.27% from LAB +2.74% from CSL

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What Drives HECC's Budget?

Student & Jobseeker Support:

Includes grants, scholarships, job training, outreach, and other direct assistance to Oregonians.

Capital Investment:

Supporting both education and economic development goals by investing in Oregon's capital infrastructure.

Equity & Access:

Providing information & services directly to local communities and residents, especially underserved populations, so they can access education and workforce resources to make them Future Ready.

Affordability:

Providing support funds to community colleges & universities to keep tuition costs down for students.

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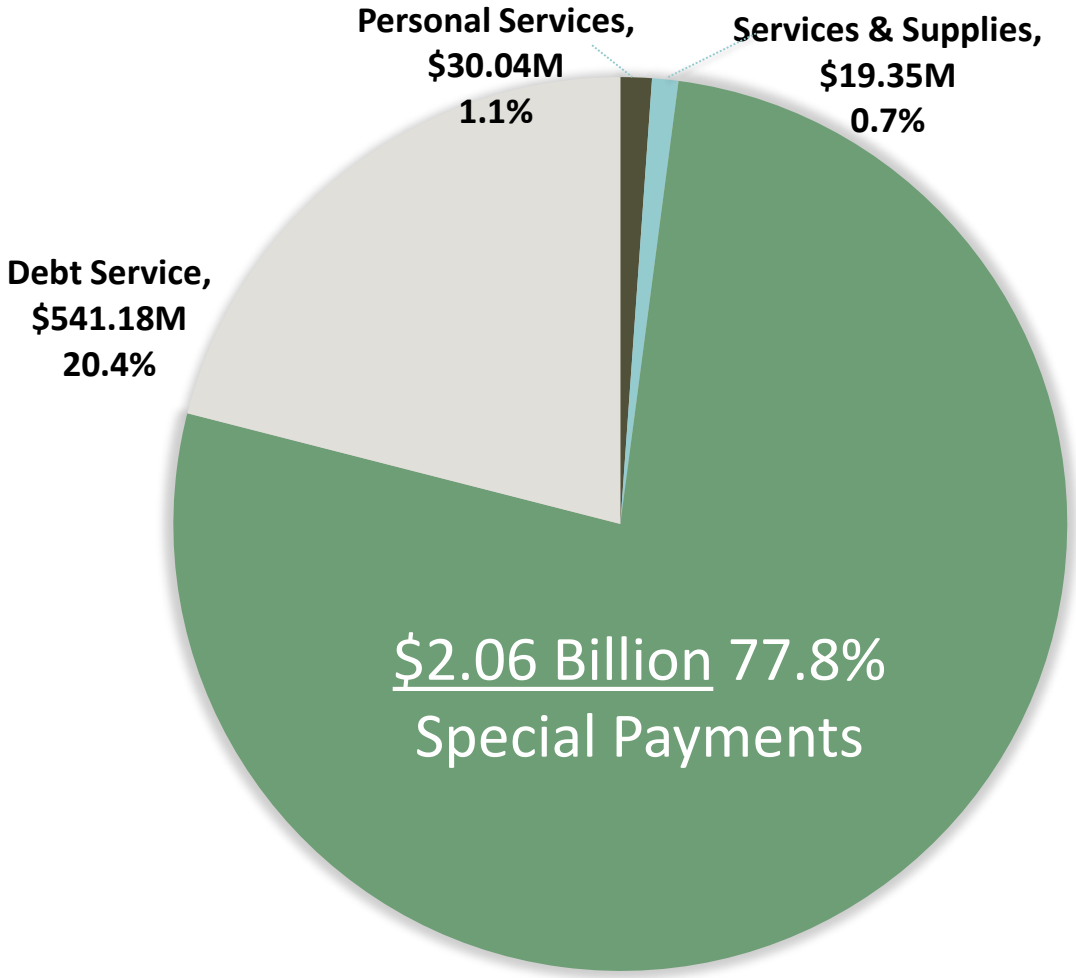
2019-21 Current Service Level Budget by Expenditure: $2.648 Billion



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Overall HECC Budget

77.8% of HECC's $2.647 billion CSL budget is distributed directly to public universities, community colleges, students through financial aid, and to Local Workforce Development Boards.

20.4% of HECC's budget funds debt service on current and past capital construction projects at universities and colleges.

HECC operations, including all personnel and supplies, account for 1.8% of the agency's total budget.

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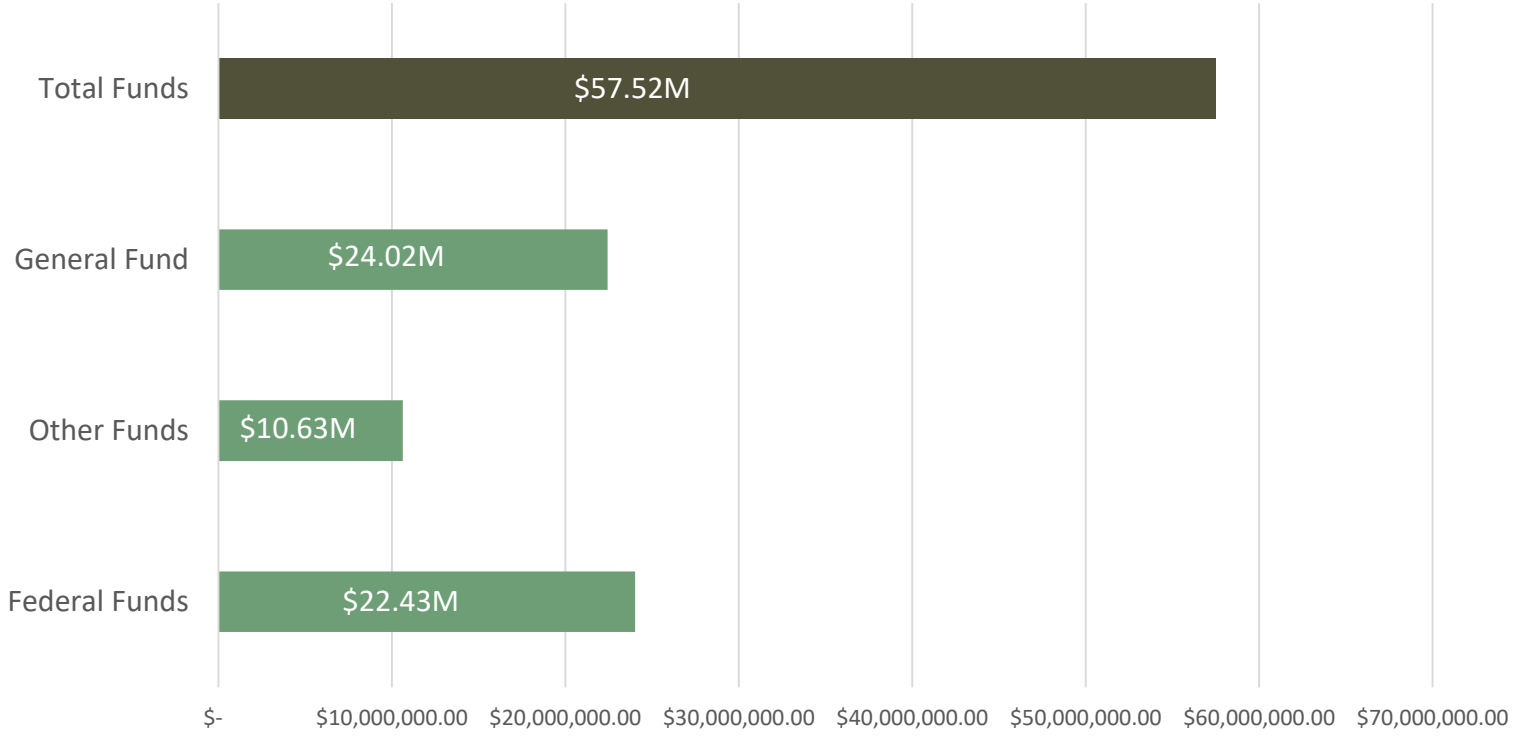
AN INTEGRATED APPROACH TO HIGHER EDUCATION: **AGENCY OPERATIONS**

Current Service Level (CSL):

HECC Agency Operations

The HECC agency operations budget is funded with a mix of General Fund, fee revenues, and federal grants.



- 130 Positions/120.07 FTE
- 1.8% of the Total Agency Budget

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HECC Agency Operations

Activity	Description	2017-19 LAB	2019-21 CSL	2019-21 GRB
Higher Education Coordinating Commission (HECC) agency operations	Supports HECC's agency office operations including 137 permanent staff members performing policy and funding coordination across all sectors of postsecondary education and workforce. Budget growth in GRB comes from: ▪ $9M Transfer from ODE for student support strategies, including early learning educator scholarships and Oregon Teacher Scholar scholarships ▪ $3.4 M Transfer for Oregon Volunteers program (from DAS) ▪ Policy Option Packages 101 (Procurement), 102 (Internal Auditor), 103 (Human Resources), and 210 (Statewide Workforce Initiatives).	$23.5M GF $19.8M OF $18.7M FF $62.1M TF	$24.0M GF $10.6M OF $22.9M FF $57.5M TF	$24.3M GF $23.2M OF $22.8M FF $70.2M TF
Change from 2017-19				+3.4% from LAB GF +1.3% from CSL GF +13% from LAB TF +22% from CSL TF

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POLICY OPTION PACKAGES

Oregon Institute of Technology

Portland State University

Chemeketa Community College

Tim Park Photography
Bend, OR
Blue Mountain Community College

Policy Option Package 101: Procurement Staff

Adds procurement staff to address legal compliance issues identified in 2017 and 2018 Secretary of State procurement audits.

- Two positions, (1.66 FTE)
  - Procurement & Contracting Specialist 3
  - Procurement & Contracting Specialist 2
- $163,478 GF + $36,698 OF + $133,451 FF = $333,627 TF

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Procurement Need

In December 2017, the Secretary of State conducted a performance audit and found HECC was out of compliance with Oregon's procurement laws.

65% or 486 of HECC's 748 open contracts totaling $117M were executed after their effective date	53 contracts were backlogged	HECC offered insufficient training on procurement issues	HECC lacked defined procurement policies, roles, and responsibilities

In August 2018, the SOS followed up and found that the agency had not fully implemented its recommendations due to an ongoing lack of staff.

HECC has two budgeted procurement specialists and manages an open portfolio of over 700 agreements. Seventy-seven percent of HECC's $2.722B budget is paid out through special pay contracts, creating significant risk for errors and delays.

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Policy Option Package 102: Internal Auditor

Establishes one Internal Auditor position (.88 FTE), which would be responsible for financial, performance, operational, and information technology audits within HECC:

- Internal Auditor 2: Responsibilities would include forming an audit committee with an audit charter, performing an annual risk assessment, developing an audit plan, and conducting 5-6 internal audits per year.
- $82,784 GF + $18,552 OF + $67,323 FF = $168,659 TF

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Internal Auditing Needs

Currently, HECC is a state agency with 134 staff positions, 88 Board and Commission members, and a budget of over $3 billion. Rapid growth of the agency has occurred despite a lack of mature systems, policies and procedures, and internal controls to guide the work.

Potential audit risks include:

bond management, capital construction programs and budgets, data systems, cost allocation, data security, cost recovery, data sharing, budget management and federal reporting processes.

In 2017-19, HECC requested an Internal Auditor position that was approved in the GRB but ultimately was not funded.

In 2018, a SOS audit of Oregon's Internal Auditing resources identified that HECC should have 6-7 Internal Audit positions. Despite the need, this position has never been budgeted.

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HECC's Recent Audit History

Procurement Practices December 2017

SOS Findings:

1. Address backlog of contracts and agreements.
2. Define governance structure, including noncompliance process.
3. Align policies with state procurement practices.
4. Develop and deliver training.
5. Assess procurement needs and adjust resources accordingly.

Management Response: Agreed with all recommendations and have submitted POP 101 to address.

Selected Financial Accounts for 2017 April 2018

SOS Findings:

1. No deficiencies in internal control were found to be material weaknesses.

Management Response: Agreed.

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HECC's Recent Audit History (continued)

Statewide Audit of Federal Programs for 2017 April 2018

SOS Findings:

1. Ensure onsite sub-recipient monitoring activities are timely and adequately documented.
2. Improve controls over review of contract invoices.
3. Ensure employee time is coded properly and reviewed by management.

Management Response: Agreed with all recommendations and worked with US DOL to resolve identified issues.

Follow up to Procurement Practices Audit September 2018

SOS Findings:

1. Fully resolved two recommendations: implemented governance structure and aligned policies with statewide procurement practices.
2. Partially implemented remaining three recommendations due to lack of procurement resources/staff (backlog, training, and procurement resources).

Management Response: Agreed with all recommendations and have submitted POP 101 to address.

Policy Option Package 103: Human Resources Staff

Adds additional Human Resources staff to focus on recruitment, diversity and inclusion, compliance with human resources law, and employment and labor relations.

- Three positions, (2.26 FTE)
  - Principal/Executive Manager D
  - Training & Development Specialist 2
  - Human Resources Assistant (.5 FTE)
- $214,408 GF + $48,129 OF + $175,021 FF = $437,558 TF

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Human Resources Need

Since its creation in 2013, HECC's HR unit has been cobbled together and staffed through loaned positions. The unit serves 134 staff and 88 Board members and has primary responsibility for administering all HR functions, but the budget does not include a manager, training specialist or any support staff positions.

If funded, the unit will be able to:

Establish agency-specific policies and procedures	Enhance cultural diversity, equity and inclusion efforts	Conduct annual training needs, assessments and training plans	Improve the speed and quality of recruitment processes

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Policy Option Package 210: Statewide Workforce Initiatives

Provides funding for nine Local Workforce Development Boards to support the Talent Marketplace, which ensures businesses have skilled workers and jobseekers receive needed skills training and on-the-job training.

- One position, (.88 FTE)
  - Program Analyst 3
- $4,100,000 GF

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Policy Option Package 210: Statewide Workforce Initiatives

Restores General Funds for Statewide Workforce Initiatives to 2015-17 levels, supporting Oregon's employers and workers.

Local Competitiveness

Supports Local Workforce Development Boards to convene partners, broker training services, and leverage local resources.

Work Experience

- On-the Job Training
- Customized training
- Incumbent worker training
- Apprenticeships
- Internships

Industry Engagement

Funds employer and community-driven strategies to assist local businesses and industries.

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Capital Bonding Policy Option Packages

Total investments in capital projects to achieve long-term education and economic development goals is $240.7M, a 39.3% decrease from 2017-19

- The Governor recommends reserving $225M in bonding authority for the 2020 session after work on a 10-year strategic plan for university capital has been completed.
- GRB supports seven capital construction projects at public universities, five new projects and two reauthorizations. Total investment would be $173M.
- GRB supports two new capital construction projects at Oregon's community colleges and reauthorizes seven existing projects. Total investment is $67.7M.

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Other Changes Reflected in the GRB

Reductions:	Additions/Transfers:
• Engineering Technology Sustaining Fund eliminated: **($25.6M) GF** • Outdoor School Programs reduced: **($22.8M) LF** • Oregon Promise year-two funding eliminated: **($20M) GF**	• Private Career School Fee Increase requested: **$300K OF** • Transfer from ODE for student support strategies including early learning educator scholarships and Oregon Teacher Scholar scholarships: **$9M OF** • New System Alignment Manager (P/EM E) position: **$200K GF**

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Overall Staffing Changes in GRB 2019-21

The Governor's budget adds staffing capacity in Procurement, Internal Audits, Human Resources and Workforce programs. Overall, the agency's permanent positions increase from 134 to 137 and FTE grows from 121.32 to 126.56. Funding these POPs will ensure that the Internal Audit, Procurement, and Human Resource offices are adequately staffed for the first time since HECC was established.

+ 1 Internal Auditor

+ 2 Procurement & Contract Specialists

+ 2.5 Human Resources Staff

+ 2 Workforce positions

- 2 Veterans Education positions

2 Operations positions reclassified within existing resources (No cost)

- POP 311 Reclassifications

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HIGHER EDUCATION BUDGET PRIORITIES: **CONCLUSION**

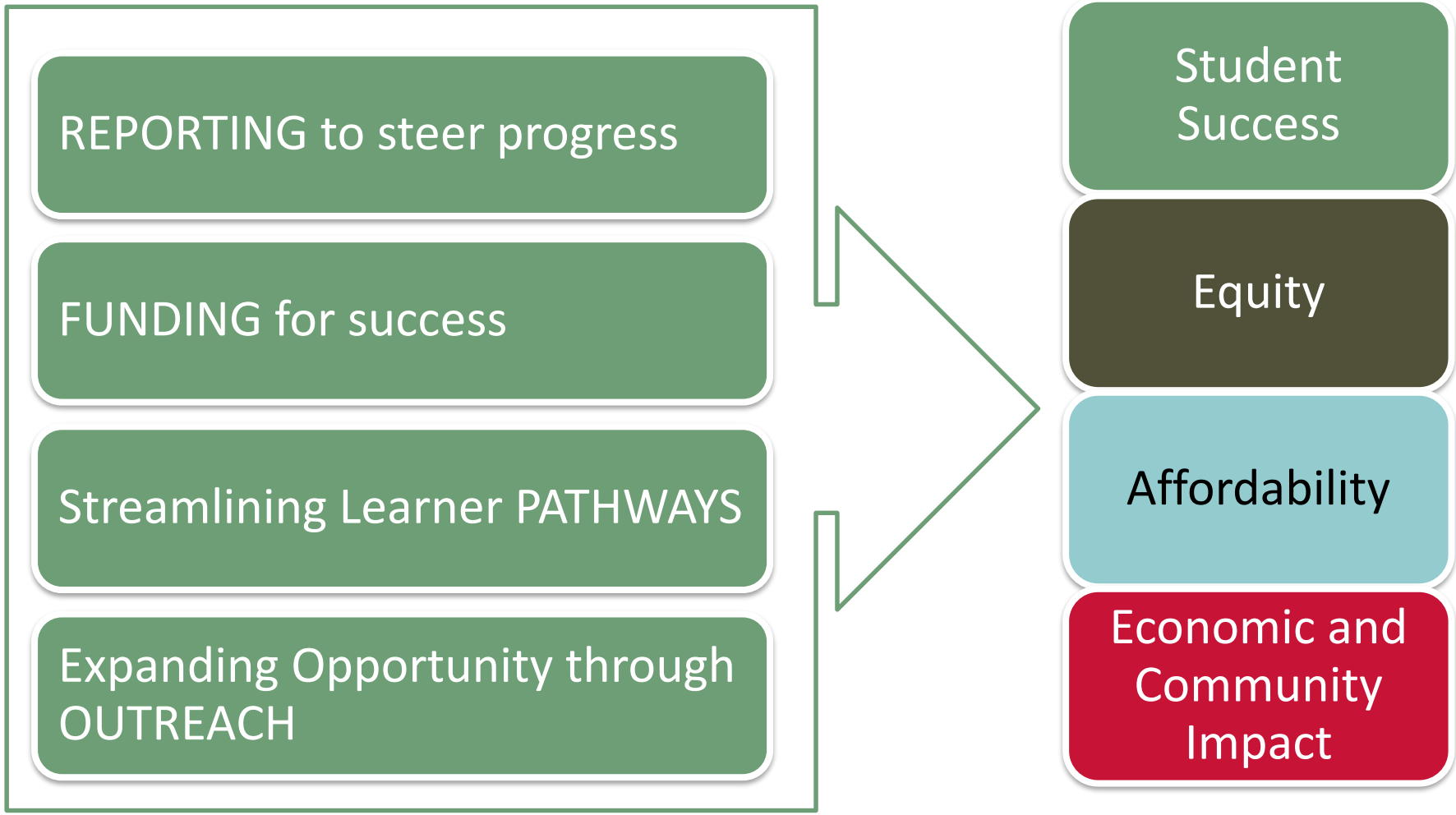
Chemeketa Community College

Portland State University

Linn-Benton Community College

Oregon Institute of Technology

Four Strategic Action Areas Guide HECC's Work to Achieve Four Key Goals



 From the *HECC Strategic Framework*, December 2017

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Featured HECC Projects and Accomplishments 2017-19*

REPORTING to steer progress

- Finalized Strategic Framework 2017-2021 as an update to the HECC Strategic Plan.
- Established a goal for adult postsecondary attainment (HB 2311, 2017).
- Developed and published first annual set of statewide institutional snapshots.
- Developed a dashboard of state progress toward higher education and workforce goals.
- Published numerous legislatively directed reports: analysis of the Oregon Promise in its third year, the Mental Health Task Force Report, as well as reports on 529 College Savings plan, Competency-Based Education, and more.
- Redesigned HECC Key Performance Metrics with an increased focus on equity.
- Partnered with Georgetown University Center on Education and the Workforce on study of community college certificates.

FUNDING for success

- Determined that SOU and EOU met conditions established upon the creation of their Boards of Trustees for fiscal stability and program alignment.
- Marketed and coordinated the first Oregon Opportunity Grant Tax Credit Auction.
- Awarded "wrap-around grants" to high school equivalency preparation organizations statewide to support the success of Oregonians seeking a GED® test credential.
- Continued implementation of the Student Success and Completion Model, the outcomes-based funding allocation model for public university funds established by the HECC in 2015.

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**Does not include ongoing statutory responsibilities such as academic program approval, institutional evaluations for all 7 universities, administration of WIOA federally funded workforce activities, development of the agency budget, administration of financial aid programs, and more.*

Featured HECC Projects and Accomplishments 2017-19*

Streamlining Learner PATHWAYS

- With institutions, finalized the foundational coursework agreements ("Core Transfer Maps") to improve transfer pathways, as directed by HB 2998.
- Led a peer review process for accelerated learning, maximizing opportunity for students to receive high-quality, transferable college credit while in high school.
- Partnered with the Workforce and Talent Development Board and others to produce the Oregon Talent Assessment.
- In partnership with PCC and the Oregon Legislature, established teach-out pathway for graduation of nursing students after the closure of ITT Tech.
- Updated private career school cosmetology curriculum to more accurately reflect the knowledge and skills that are required today to be successful in the industry.

Expanding Opportunity through OUTREACH, Financial Aid

- Added new outreach resources on state financial aid opportunities, including webinars, bilingual materials, and more.
- Successfully launched the Oregon National Guard State Tuition Assistance Grant.
- Collaborated with ODE and others on informational resources for DACA and undocumented students on college access.

**Does not include ongoing statutory responsibilities such as academic program approval, institutional evaluations for all 7 universities, administration of WIOA federally funded workforce activities, development of the agency budget, administration of financial aid programs, and more.*

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Initiatives Planned or Underway

REPORTING to steer progress

- Develop and publish annual county-by-county reports of educational and workforce attainment.

FUNDING for success

- Develop long-term strategic funding model to meet state goals.
- Develop 10-year university capital plan for state investment.

Streamlining Learner PATHWAYS

- Continue to implement HB 2998 in support of transfer pathways, developing major-specific transfer agreements.
- Lead the public process to consider the petition for a community college boundary change in North Lake County.

Expanding Opportunity through OUTREACH

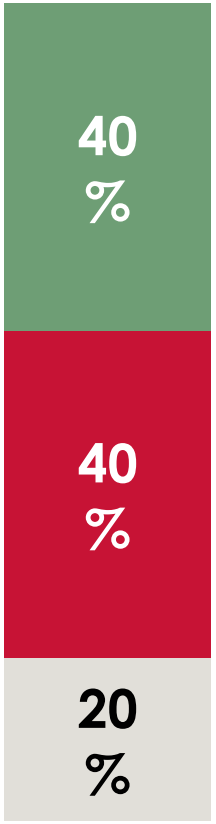
- Develop an outreach plan to better connect Oregonians with college and career opportunities.
- Increase postsecondary completion for underrepresented Oregonians of color with a focus on Oregon adults, through support of a grant from the Lumina Foundation.

Oregon's 40-40-20 Goal for Young Adults

(HS class of 2025 and beyond)

With the passage of HB 2311 in 2017, effective January 1, 2018, Oregon clarified the 40-40-20 educational goal to focus strategically on young Oregonians rising through the education system.

40-40-20 GOAL



By 2025, 40% of Oregonians will complete a 4-year degree, 40% of Oregonians will complete a 2-year degree or certificate, and 20% will earn a high school diploma or the equivalent.

-ORS 350.014 (2011)

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Oregon's New Adult Educational Attainment Goal

As directed by HB 2311 in 2017, the HECC worked with the Oregon Workforce Talent and Development Board and partners on the development of this new goal, which was formally approved in November 2018.

Oregon anticipates more than 120,000 additional jobs requiring postsecondary training or education between now and 2030. In order to meet this need, **300,000 additional adult Oregonians should earn a new degree, certificate or credential valued in the workforce during that time**. Because Oregon has substantial attainment gaps among minority, low income and rural Oregonians, the state will also commit to reducing those attainment gaps by half during the decade.

300,000 includes credentials Oregonians are expected to earn at status quo completion rates, **plus 120,000 new credentials needed**.

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Budget Decisions Impact Oregon's Goals for Educational Attainment

VISIONARY STATE GOALS for postsecondary educational attainment

Promising evidence of progress in **STUDENT SUCCESS**

SIGNIFICANT UNDERFUNDING OF HIGHER EDUCATION AND WORKFORCE SYSTEM

Investment choices can:

- Stagnate or reverse state progress OR
- Sustain and foster continued progress for Oregonians now and in the future.

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Budget Decisions Impact Students

GRB:	Higher Investment could:
• Large spikes in tuition & fees and program cuts • Diminished financial aid including flat funding for Oregon Opportunity Grant, elimination of the Oregon Promise, and elimination of scholarships funded by Sports Action Lottery • Fewer opportunities for engineering students	• Limit tuition increases to 5% or less at universities • Protect educational programs at public institutions • Expand need-based financial aid through the Oregon Opportunity Grant • Continue the Oregon Promise • Restore the Sports Action Lottery • Fund the Engineering and Technology Sustaining Fund • Improve campus safety • Expand outreach to underserved students statewide to connect Oregonians with college and career pathways • Increase youth employment opportunities • Invest in CTE programs to make students Future Ready

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Postsecondary Education Priorities, 2019

Transform Lives, Build Economic Mobility

Eliminate Inequity and Ensure Opportunity for All

Protect Affordability of Public Colleges and Universities

Ensure Oregonians can Navigate the Fast-Changing 21st Century Economy

Foster Smooth Pathways and Informed Investments of Time and Money

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APPENDIX A

HECC KEY PERFORMANCE METRICS 2016

Clackamas Community College

Portland State University

Mt. Hood Community College

Oregon State University

HECC Agency Key Performance Metrics (KPMs) Revised With Increased Focus on Equity

At the end of the 2017 legislative session, HECC revised its KPMs

- Existing KPMs reflected the initial development of the HECC and included the KPMs from all of the previous organizations.
- Legislators requested a greater focus on equity to match the HECC Equity Lens.
- With the opportunity available to revise the KPMs, the Legislative Fiscal Office worked with agency staff to reduce the number and maintain a high-level focus.

The revised list reduces HECC KPMs from 29 to 16

- Eight did not change.
- Six are racial/ethnic disaggregations of other KPMs.

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HECC 2018 Key Performance Metrics (1 of 2)

KPM	Milestone	New in 2017
1	Oregon high school graduates attending college Percentage of Oregon students enrolled in college within 16 months of their 4-year high school cohort graduation date	
2	Racial/ethnic differences among Oregon high school graduates attending college	x
3	College credits earned by K-12 students Amount of postsecondary credit per graduate awarded to K-12 students	
4	Oregon educational attainment Percent of young Oregon adults with post secondary degree or certificate	x
5	Community college completion and transfer rate Percentage of community college students who complete an associate degree or certificate or who transfer to the university system within three years	x
6	Racial/ethnic differences for community college completion and transfer rate	x
7	Public university graduation rate Percentage of public university college students who complete a bachelor's degree within 6 years	
8	Racial/ethnic differences for public university graduation rate	x

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HECC 2018 Key Performance Metrics (2 of 2)

KPM	Milestone	New in 2017
9	Percentage of resident enrolled students who are incurring unaffordable costs Percentage of resident enrolled students who are incurring unaffordable costs adjusted with institutional aid	
10	Racial/ethnic differences in percentage of resident enrolled students who are incurring unaffordable costs	x
11	Earnings of community college completers Median earnings of community college completers five years after completion	
12	Racial/ethnic differences in earnings of community college completers	x
13	Earnings of bachelor's degree completers Median earnings of graduates with bachelor's degrees five years after completion	
14	Racial/ethnic differences in earnings of bachelor's degree completers	x
15	Customer service (required) Percent of customers rating their satisfaction with the agency's customer service as "good" or "excellent:" overall, timeliness, accuracy, helpfulness, expertise, availability of information	
16	Commission best practices (required) Percent of total best practices met by the Commission	

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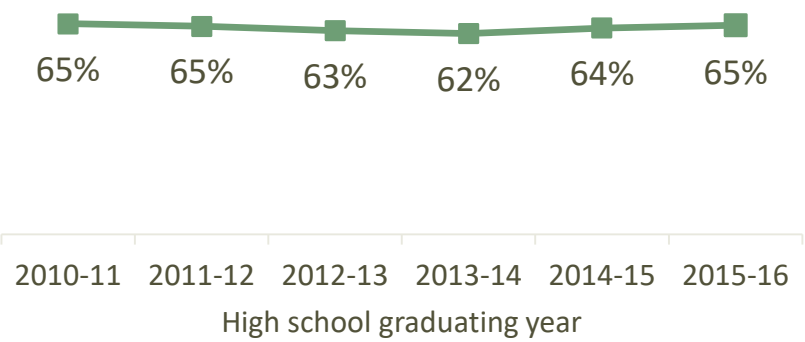
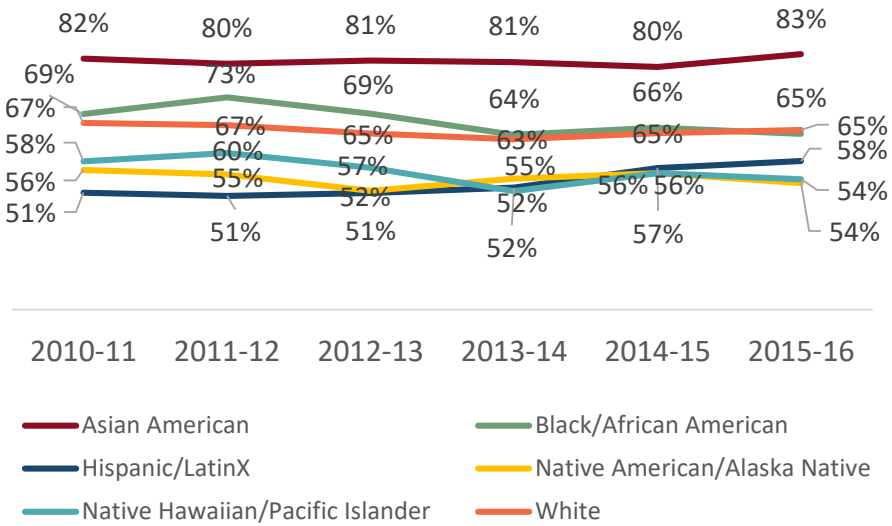
KPM #1-2: College-going Rate Among Oregon High School Graduates

Description: Percentage of Oregon students enrolled in any college nationwide within 16 months of their 4-year high school cohort graduation date.

College-going rates are relatively stable. After a slight decline in the first years of the economic recovery, rates have risen in the last two years. By race/ethnicity, many rates have been stable, while the rate for Hispanic/LatinX students rose.





2018 Targets

All	Asian American	Black/African American	Hispanic/LatinX	Native American/ Alaska Native	Native Hawaiian/ Pacific Islander	White
66.0%	66.0%	66.0.%	61.7%	62.5%	61.3%	65.2%

508 Source: HECC analysis of university and community college data. High school graduates include all students who received a regular four-year diploma, a modified four-year diploma, or a GED within the four years of high school.

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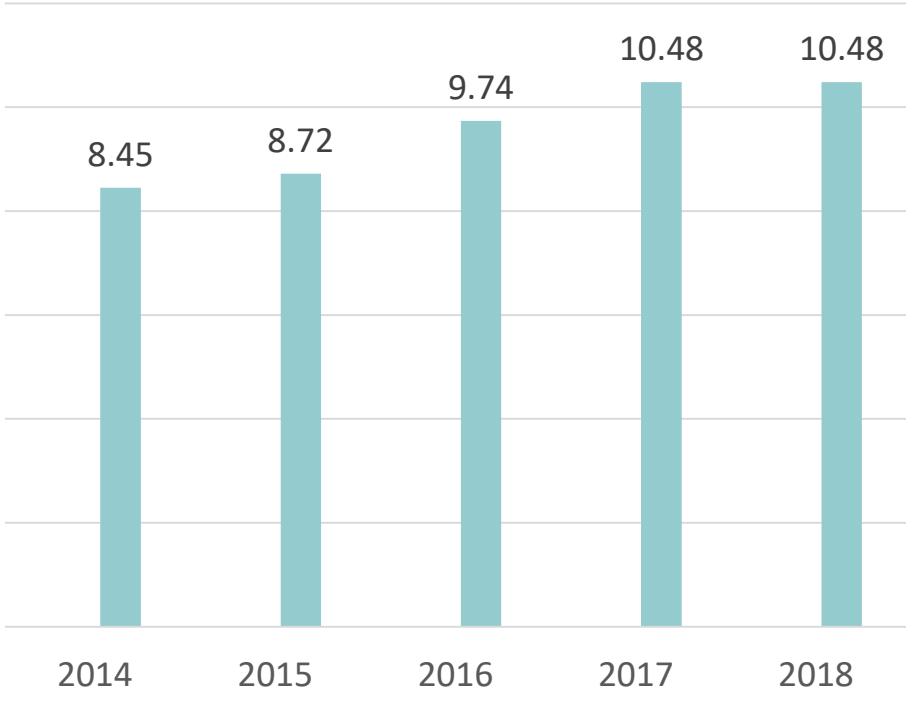
KPM #3: College Credits Earned by K-12 Students

Description: Amount of postsecondary education credit per graduate awarded to K-12 students

College credit earned by high school students has risen in recent years, both in types of credit available and in amount.



2018 Target	9.5

Source: HECC analysis of university and community college data. Includes only high school students who graduated within 4 years and were enrolled in dual credit or expanded options programs.
Notes: These results show an average number of credits per graduate based on the total number of credits earned among all students in pre-kindergarten through senior year in a single academic year.

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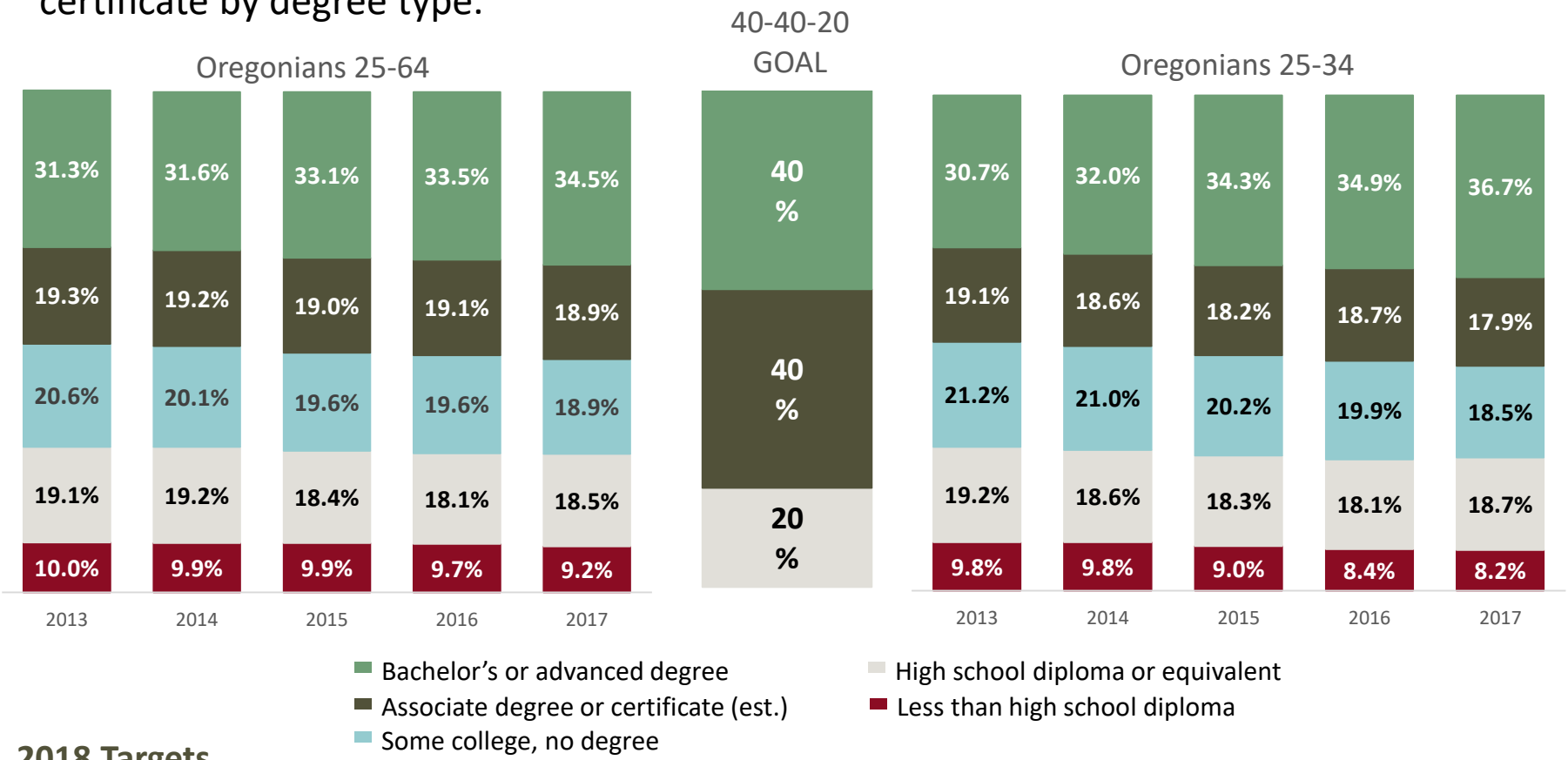
KPM #4: Oregon Educational Attainment

Description: Percent of young Oregon adults with postsecondary degree or certificate by degree type.



2018 Targets

	Bachelor's or adv. deg.	Associate deg. or cert.	Some college, no deg.	HS diploma or equiv.	Less than HS diploma
Oregonians 25-34					
40-40-20	36%	21.5%	0%	19%	0%

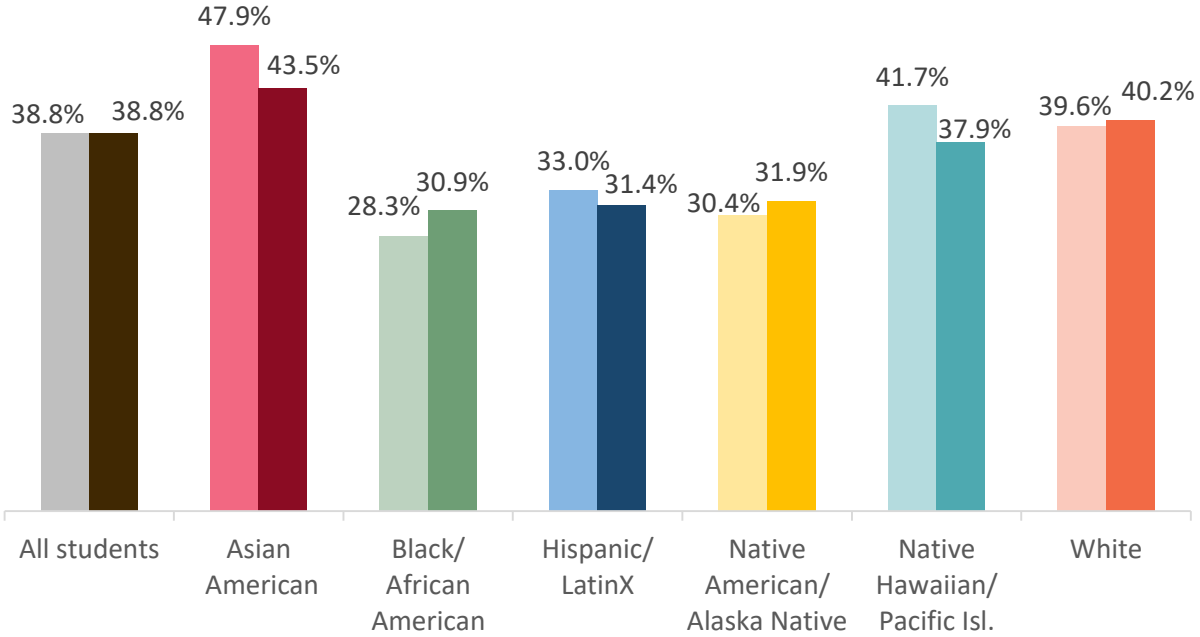
510 Source: US Census Bureau American Community Survey (ACS), Table #B15001, 1-year estimates

HIGHER EDUCATION COORDINATING COMMISSION

KPM #5-6: Community College Completion and Transfer Rate, Total and by Race/Ethnicity

Description: Percentage of Oregon community college students who complete an associate degree or who transfer to a university within three years

Almost half of credential-seeking students at community colleges complete a certificate/degree or move to a four-year university. This new measure will include trends over time in coming years.



Darker shades represent 2018. Lighter shades represent 2017

2018 Targets

All	Asian American	Black/African American	Hispanic/LatinX	Native American/ Alaska Native	Native Hawaiian/ Pacific Islander	White
new measure, targets determined after this baseline year						

Source: HECC analysis of university and community college data .

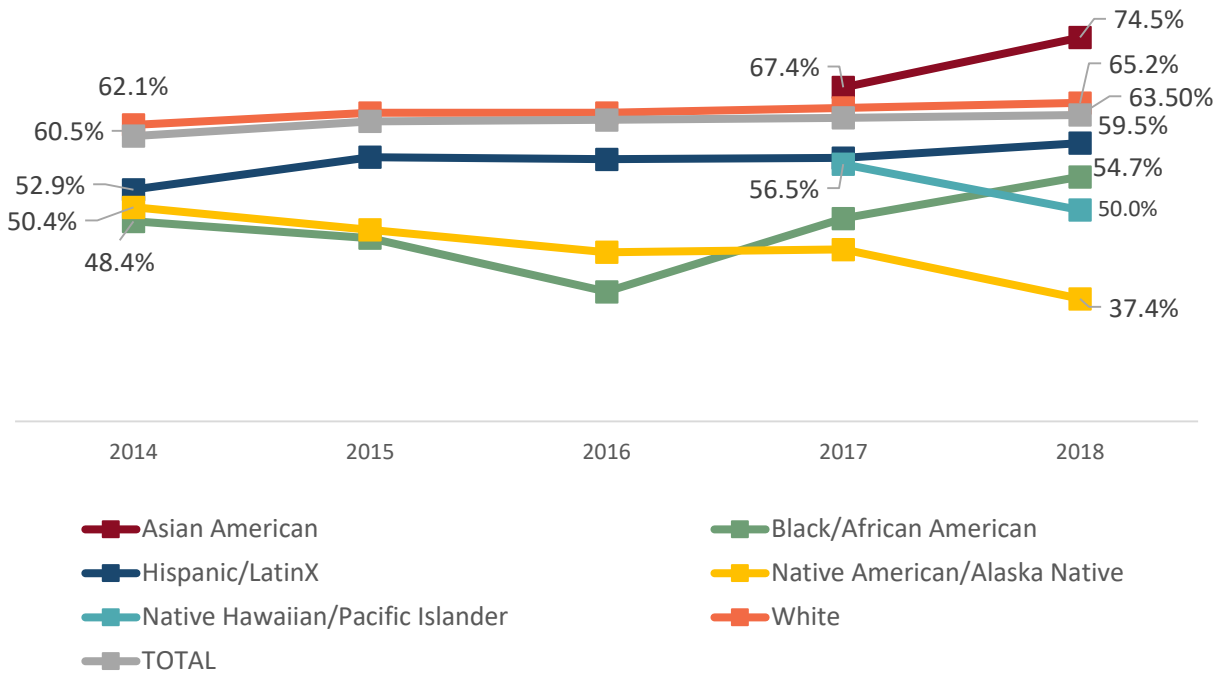
Notes: This KPM uses student behavior to define "credential-seeking" as accumulating 18 or more quarter credits within the period. A student is considered to have transferred if there is any evidence of enrollment at a 4-year university after the last enrollment in the community college and before the end of the three-year tracking period.

HIGHER EDUCATION COORDINATING COMMISSION

KPM #7-8: Public University Graduation Rate, Total and by Race/Ethnicity

Description: Percentage of Oregon university students who complete a bachelor's degree within 6 years – Total and disaggregated by race/ethnicity

Public university graduation rates have risen for Asian American, Hispanic, and White students but not for African American or Native American students



2018 Targets

All	Asian American	Black/African American	Hispanic/LatinX	Native American/ Alaska Native	Native Hawaiian/ Pacific Islander	White
63.5%	70%	63.5%	63.5%	63.5%	63.5%	65.2%

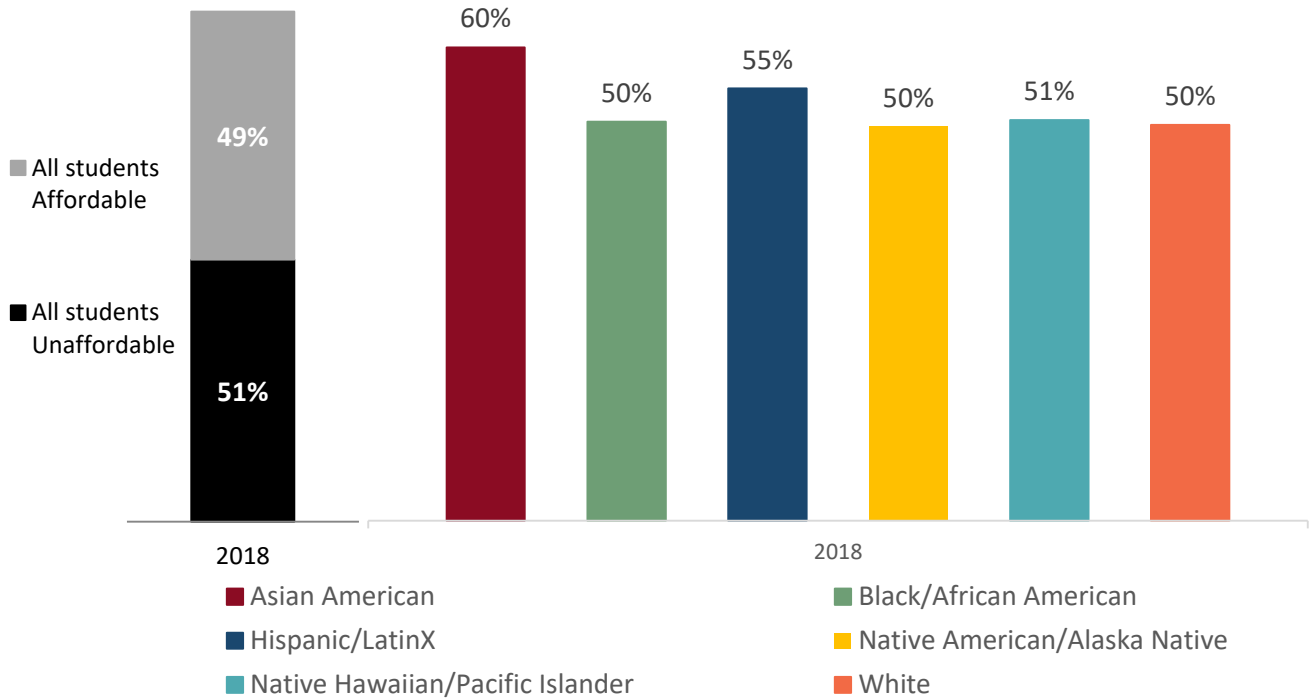
Source: HECC analysis of Oregon public university student records. Includes only first-time, full-time freshmen university students. Notes: Currently there is no historical data for the Native Hawaiian or Pacific Islander category. Prior to the 2010 cohort, the Asian American group included Native Hawaiian and Pacific Islander categories.

HIGHER EDUCATION COORDINATING COMMISSION

KPM #9-10: Higher Education Unaffordability, All Students and by Race/Ethnicity

Description: Percentage of resident enrolled students who incur unaffordable costs, adjusted with institutional aid after Estimated Family Contribution (EFC) and student earnings are applied.

More than half of all students in public universities and community colleges cannot afford the cost of attendance even with financial aid.



2018 Targets

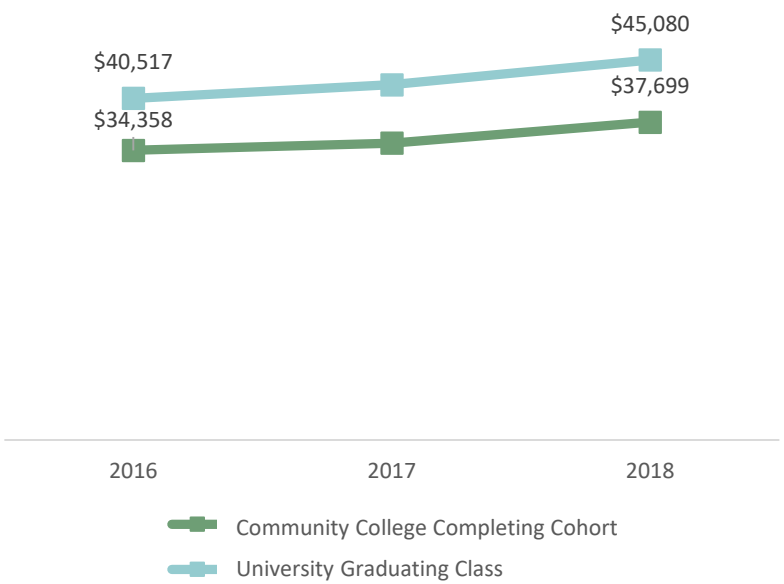
All	Asian American	Black/African American	Hispanic/LatinX	Native American/ Alaska Native	Native Hawaiian/ Pacific Islander	White
50%	50%	45%	50%	50%	45%	50%

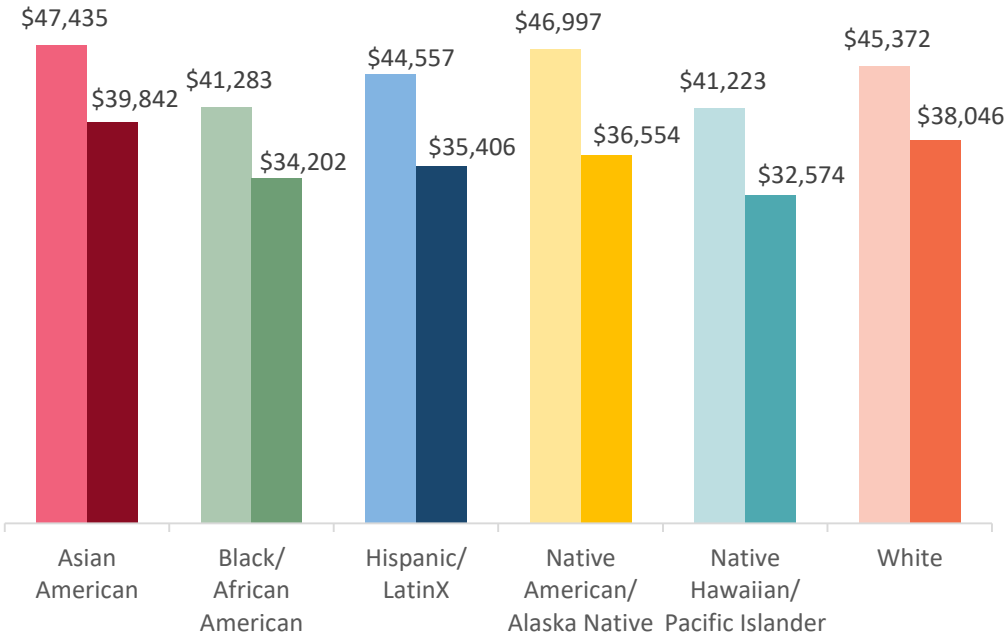
Source: HECC analysis of Oregon public university and community college student records.
Notes: Restricted to resident, undergraduate university students and community college students who attempted at least one credit. Limited only to those students who filed a Federal Application for Student Aid (FAFSA).

HIGHER EDUCATION COORDINATING COMMISSION

KPM #11-12, 13-14: Earnings for Community College Completers and University Graduates, Over Time and by Race/Ethnicity

Description: Median earnings of community college completers and university graduates with bachelor's degrees, five years after completion, over time and disaggregated by race/ethnicity.





Darker shades represent 2018 community college data.
Lighter shades represent 2018 university data.

2018 Targets

Community Colleges	$35,745.00
Universities	$42,145.00

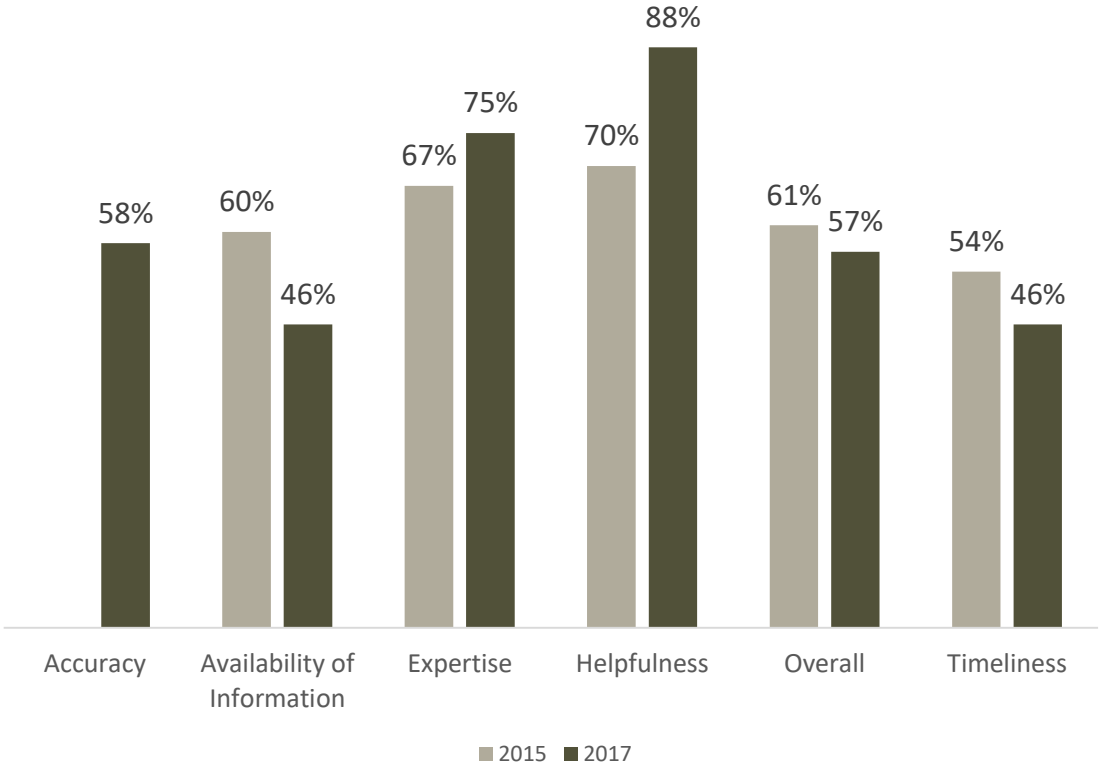
Source: HECC analysis of Oregon community college student records.
Notes: Includes individuals who were awarded a career/technical certificate, Oregon Transfer Module (OTM) certificate, or an associate degree.

HIGHER EDUCATION COORDINATING COMMISSION

KPM #15: Customer Service

Description: Percent of customers rating their satisfaction with the agency's customer service as "good" or "excellent:" overall, timeliness, accuracy, helpfulness, expertise, availability of information.

HECC constituents expressed greater satisfaction with staff expertise and helpfulness than in 2015, while availability of information and timeliness show a need for improvement



2018 Targets

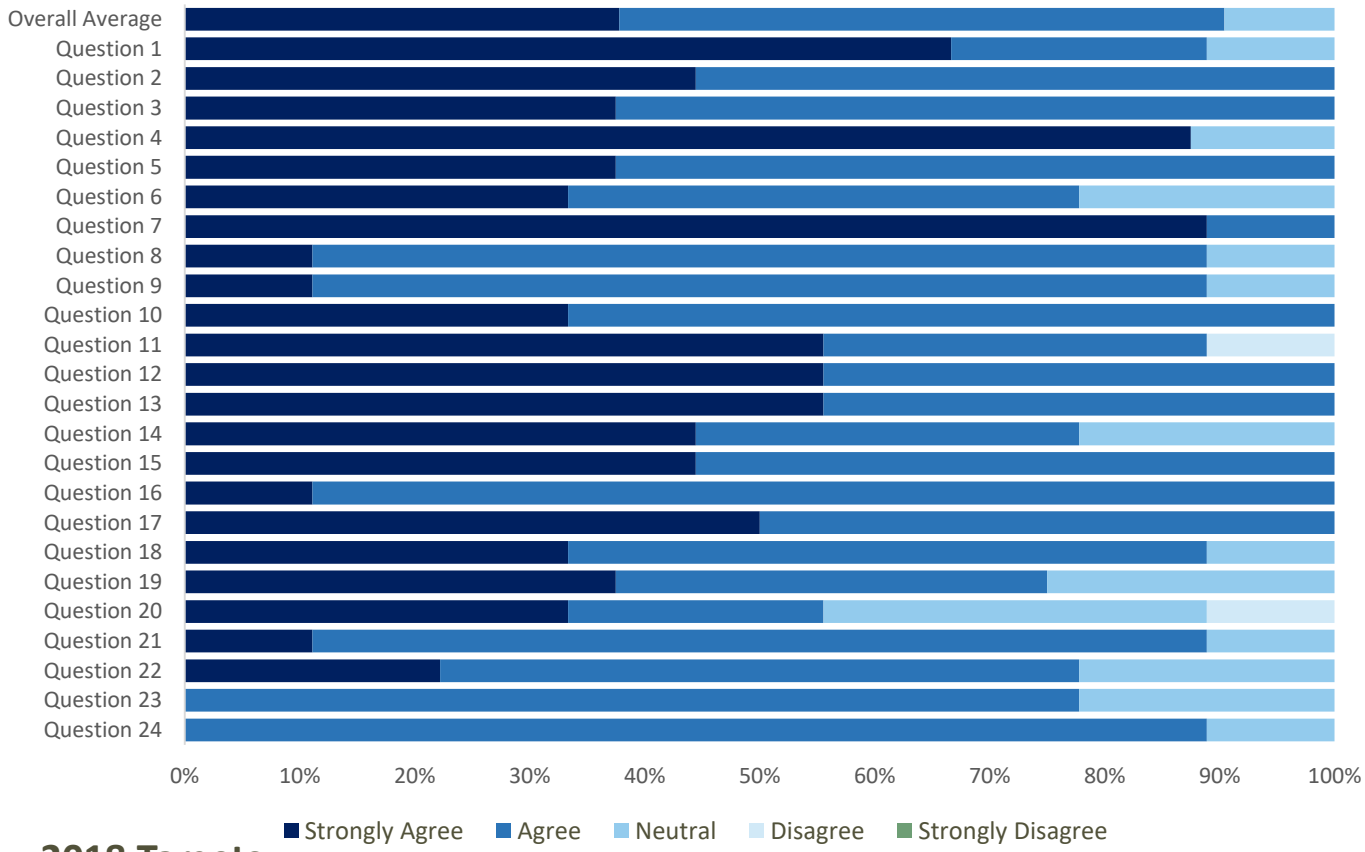
All measures	90%

515 Source: HECC analysis of survey of stakeholders with a response rate of 40 percent.
Notes: The group of stakeholders for this 2017 survey was different from the 2015 group, making comparisons between the years difficult. The Accuracy category was new to this survey so there is no historical data to provide.

HIGHER EDUCATION COORDINATING COMMISSION

KPM #16: Agency Best Practices

Description: Annual survey of Commissioners' opinion about how well the best practices were met by the Commission.



Averaging all questions,

of Commissioners **agreed or strongly agreed** the Commission follows these best practices

2018 Targets

All questions	100%

Source: HECC analysis of survey of Commissioners with a response rate of 69 percent.
Notes: The survey included 24 rated questions and 3 open-ended questions. This survey contained different questions from the previous survey in 2015 making comparisons between the years not possible.

HIGHER EDUCATION COORDINATING COMMISSION

KPM #16: Agency Best Practices – List of Rated Questions

As an individual Commissioner:

1. I am able to devote the time and energy necessary to actively participate in Commission meetings.
2. The amount of time expected of commissioners to prepare and participate in Commission meetings is reasonable.
3. The amount of time expected of commissioners outside of Commission meetings is reasonable.
4. The Commission is effectively utilizing my skills and expertise.
5. I can speak candidly at Commission meetings.
6. I can participate in subcommittee meetings in which I am not a subcommittee member.
7. Serving on this Commission is satisfying.

As a Commission:

8. The Commission as a whole has a clear understanding of its role and responsibilities.
9. The Commission understands and respects the distinction between its responsibilities and those of management.
10. Commissioners actively participate in discussions.
11. The Commission has diversity of representation (e.g., gender, ethnicity, age, vocation, etc.).
12. Commissioners listen to and value each other's comments.
13. The leadership of the Commission is effective.
14. Public comment during the public comment section of the meeting and during action items is a valuable opportunity to gather input.
15. The Commission provides insight and guidance to the HECC's strategic direction.
16. The Commission ensures the agency's fiscal integrity by monitoring the agency's financial policies and operating performance and by submitting the agency's biennial budgets.
17. The Commission assesses the performance of the Executive Director on an annual basis
18. The Commission follows the highest standards of fiduciary duty and avoids conflict of interest in decision-making.
19. The Commission operates in a transparent and open fashion.
20. Commission meetings have agendas and materials that are distributed far enough in advance to give them adequate consideration.
21. Commission meetings rely on written and presentation materials that provide the right type and amount of information and are clearly written.
22. Commission meetings cover the right combination of information-sharing, discussion, decision-making, and board education.
23. Commission meetings allow enough time for the exchange of ideas and thoughtful deliberation.
24. Commission meetings strike the right balance between long-range, strategic matters and routine matters of oversight.

HIGHER EDUCATION COORDINATING COMMISSION

APPENDIX B

TEN PERCENT REDUCTIONS

Higher Education Coordinating Commission

10% Reduction Options

Activity	Description	Amount and Fund Type
10% Federal Funds Reduction		
HECC Workforce Programs – Eliminates Statewide Activity Reserve and Rapid Response Reserve Funds Statewide Activity Funds are reserved for both required and allowable activities to support the workforce system in Oregon. Some required activities include maintaining an eligible provider training list, providing youth funds to support local workforce boards, and performance reporting. Rapid Response funds are required to be held back to assist local communities when they experience workforce disruptions such as business shut downs or industry downturns. Puts HECC at risk for not maintaining activities required by Title IB of WIOA.	Reduces amount of federal funding available to respond to adverse local job conditions and to engage in activities that support the workforce system in Oregon.	$4,052,980 FF
Reduce Local Workforce Development Board Support Title IB of the Workforce Innovation and Opportunity Act provides funds for adult, dislocated workers, youth employment training programs, and other workforce training programs. This program is funded by the U.S. Department of Labor (DOL). Title II of the Workforce Innovation and Opportunity Act includes funds to support developmental education for adults. This program is funded by the U.S. Department of Education.	Reduces Federal Fund Limitation. Reduces ability to secure additional federal grants that provide training, retraining, and skill upgrades to Oregonians seeking skills to enter the workforce or who have been dislocated from employment and require retraining. Reduces ability to provide Adult Basic Skills at community colleges and the Department of Corrections. This would negatively affect job readiness and transition to postsecondary education.	$8,675,657 FF

HIGHER EDUCATION COORDINATING COMMISSION

Higher Education Coordinating Commission

10% Reduction Options

Activity	Description	Amount and Fund Type
10% Lottery & General Fund Reduction		
Eliminates Public University Sports Action Lottery The Sports Action Lottery was established by state statutes ORS 461.535 and 461.543 to provide funding for intercollegiate athletics at the public universities. The statute sets aside 12% of the funds for non-athletic graduate student scholarships. The remaining 88% is distributed to the intercollegiate athletic departments of the public universities.	Reduces scholarships, which impedes access, affordability and retention, thereby lowering potential progress toward increased graduation rates and overall 40-40-20 goals. Campuses with athletic programs more reliant on lottery funding would be disproportionately affected.	$14,099,809 LF
Reduce operating transfer for OHSU Programs by 7.5% OHSU receives state funding to support the Schools of Dentistry, Medicine, and Nursing: the CDRC, Oregon Poison Center, the Office of Rural Health, the AHEC and for Scholars for a Health Oregon Initiative. Funds provided to OHSU cover about 28% of the costs to educate students with the rest coming from tuition and other sources.	Directly reduces the funds available to cover the education costs for students in the fields of Dentistry, Medicine, and Nursing. May result in tuition increases or cuts to programs.	$5,787,115 GF

HIGHER EDUCATION COORDINATING COMMISSION

Higher Education Coordinating Commission

10% Reduction Options

Activity	Description	Amount and Fund Type LAB
10% General & Other Fund Reduction		
Public University Agricultural Experiment Station (AES) AES is an economic engine for much of rural Oregon, as well as for food systems and export industries in the metro area with a multimillion dollar influence in the statewide economy.	A reduction in General Fund could necessitate program eliminations and a collateral negative impact on research productivity. Any actual cut scenarios would be the purview of Oregon State University Board of Trustees and administration.	$6,972,375 GF
Reduce operating transfer to Public University Extension Service (ES) by 10% Will likely result in cuts to services or programs delivered throughout Oregon's 36 counties. Actual reduction decisions would be the purview of Oregon State University Board of Trustees and administration	A reduction in General Fund could reduce the number of community educators. This will also reduce capacity to generate external grant and contract funding. Reduced service would impact some of the state's most vulnerable populations, including limited resource families and youth.	$5,034,186 GF $4,680,585 OF

HIGHER EDUCATION COORDINATING COMMISSION

Higher Education Coordinating Commission

10% Reduction Options

Activity	Description	Amount and Fund Type LAB
10% General Fund Reduction		
Reduce operating transfer to Public University Forest Research Laboratory by 10% The historical relationship between the state and Oregon's forest industry have each provided half of the funding for forest research and development in recognition that the economy, the environment, communities and Oregonians all gain from healthy forests.	A significant reduction in appropriated funding puts at risk the loss of Harvest Tax revenue for FRL. Options for managing a 10% reduction in General Fund appropriations could include reduction of research activities in water quality/riparian management, production planning/modeling, economical harvest and transport processes for biomass based energy, and green building practices.	$1,078,636 GF
Reduce Public University State Programs by 10% Provides support for certain institutes, centers, and programs operated by the seven public universities that address the economic development, resource base, and public service needs of the state of Oregon. Many affected programs have an industry-specific focus, and receive additional investments from the private sector.	Likely will reduce the effectiveness of many strategic efforts designed to support key industries and unique social and community niches filled by the public universities.	$4,263,900 GF

HIGHER EDUCATION COORDINATING COMMISSION

Higher Education Coordinating Commission

10% Reduction Options

Activity	Description	Amount and Fund Type
10% General & Other Fund Reduction		
Reduce operating transfer to Community College Support Fund (CCSF) by 7.5% Community colleges rely on three complementary funding streams to support education and workforce services to local communities: General Fund appropriations through the CCSF, property taxes, and student tuition and fees.	This will reduce the amount of funding that is distributed to community colleges. The likely response to this reduction would be: • Program eliminations and • Fewer course offerings This will have an adverse impact on student affordability.	$44,322,414 GF $3,436 OF
Reduce operating transfer to Public University Support Fund (PUSF) by 7.5% The Public University Support Fund is the primary means by which the state invests in the educational mission of its seven public universities.	This will reduce the amount of funding that is distributed to each of the seven universities. The likely response to this reduction would be: • Program eliminations • Fewer course offerings, • Use of fund balance; depleting reserves can result in an inability to respond to emergencies • Tuition increases, which would further exacerbate affordability.	$58,340,926 GF

HIGHER EDUCATION COORDINATING COMMISSION

Higher Education Coordinating Commission

10% Reduction Options

Activity	Description	Amount and Fund Type
10% General Fund Reduction		
Eliminate Oregon Promise Grant Program Oregon Promise is a state grant that helps cover tuition at any Oregon Community College for recent high school and GED graduates.	Will result in fewer students receiving financial aid. May result in students dropping out or taking on additional debt. Negatively impacts state's affordability goals.	$41,483,035 GF 1.0 FTE eliminated
Reduce Oregon Opportunity Grant program by 3% Oregon Opportunity Grant is Oregon's largest state-funded, need-based grant program for college students.	Will result in 1,200 fewer students receiving need-based financial aid. May result in students dropping out or taking on additional debt. Negatively impacts state's affordability goals.	$4,545,321 GF

HIGHER EDUCATION COORDINATING COMMISSION

Higher Education Coordinating Commission

10% Reduction Options

Activity	Description	Amount and Fund Type
10% Other & Federal Fund Reduction		
Eliminate Private Career School Monitoring & Credentialing License fees from private schools that operate in Oregon.	This program is self-funding. The State's ability to comply with required oversight would be negatively affected and consumer protection functions would be compromised.	$3,252,455 OF 7.0 FTE/9 Positions
Oregon Youth Conservation Corps. Provides life and job skills education and training to disadvantaged and at-risk youth.	This eliminates environmental education opportunities for at-risk and disadvantaged youth ages 13-24. These youth report that their OYCC experience increases their academic and work skills, as well as their interest in further education and job training.	$2,549,339 OF $1,202,011 FF 2.0 FTE/2 Positions

HIGHER EDUCATION COORDINATING COMMISSION

Higher Education Coordinating Commission

10% Reduction Options

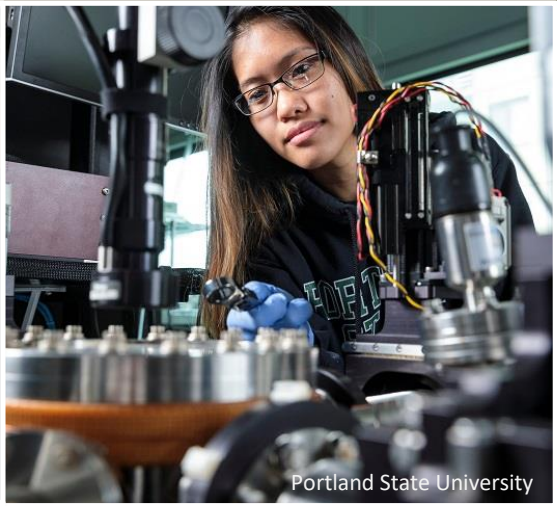
Activity	Description	Amount and Fund Type
10% Other & General Fund Reduction		
Reduce Private Grants and Scholarships by 20%	Reduces privately funded Scholarship awards to approximately 660 students per year.	$2,397,589 OF $212 GF 1.25 FTE/2 Positions

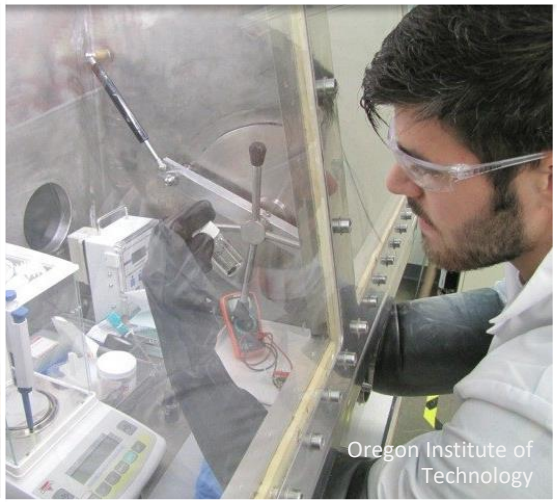
HIGHER EDUCATION COORDINATING COMMISSION

APPENDIX C

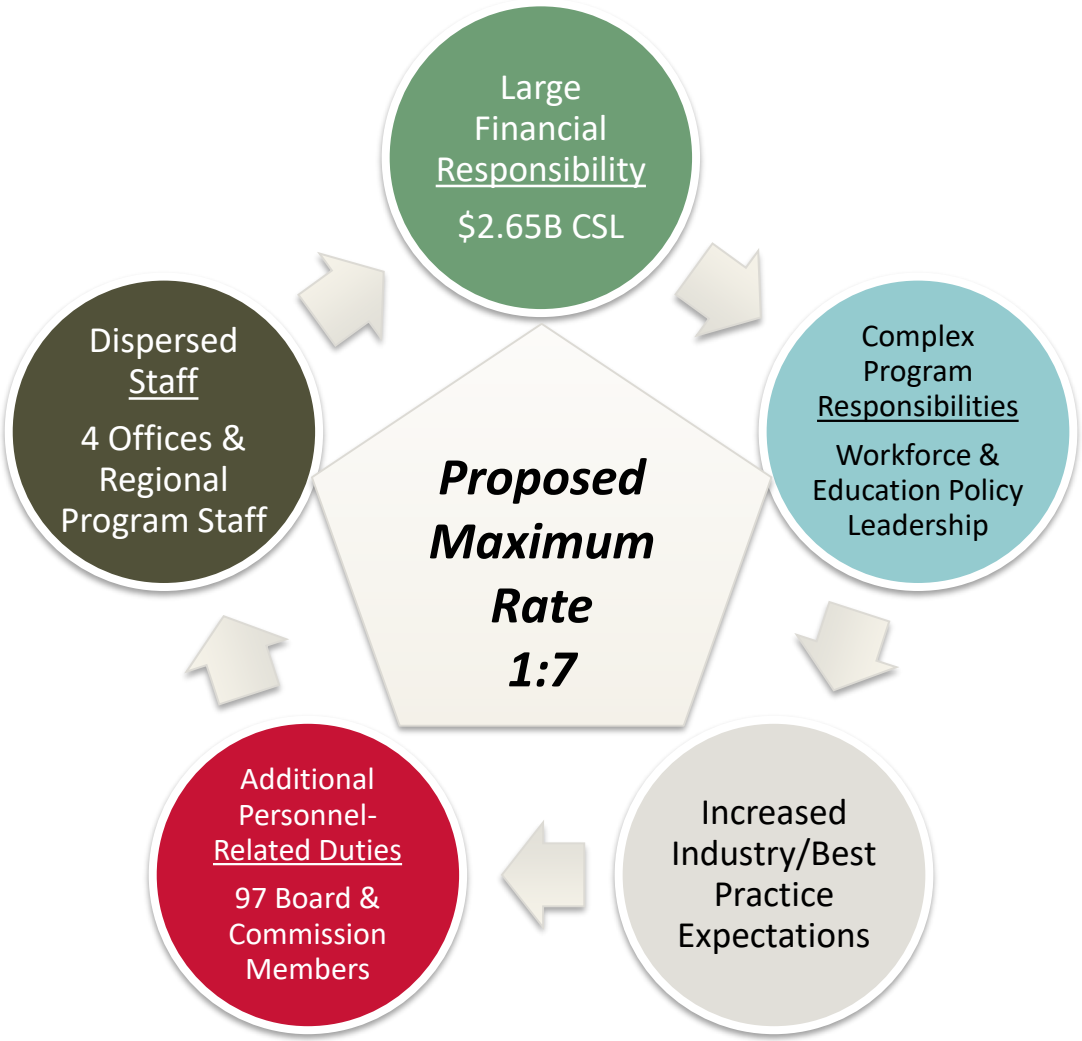
OTHER REPORTS

Mt. Hood Community College


Portland State University


Oregon Institute of Technology

HECC Proposed Maximum Supervisory Span of Control



HIGHER EDUCATION COORDINATING COMMISSION