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STRATEGIC PRIORITIES IN HIGHER EDUCATION, 2017-2019

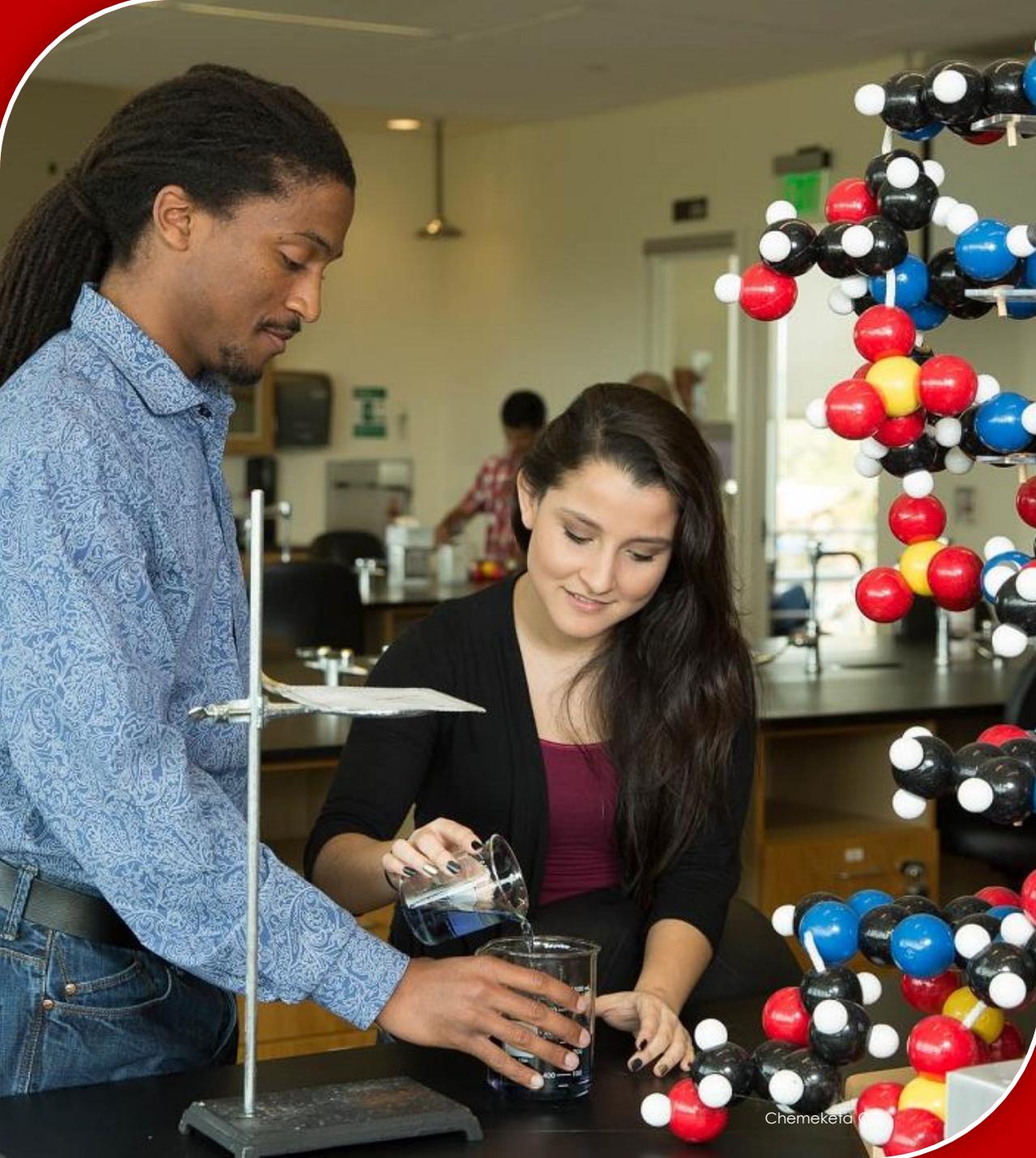
BEN CANNON, EXECUTIVE DIRECTOR, HECC

Date: March 27, 2017

Presented to: Joint Ways and Means, Education Subcommittee

INTRODUCTION TO THE HIGHER EDUCATION COORDINATING COMMISSION

MISSION, HISTORY,
STRUCTURE





PRESENTATION SCHEDULE

Day 1-2, March 27-28

- Introduction to Higher Education Structure and Students, Progress toward State Goals, Quick Funding History

Day 3-4, March 29-30

- Affordability: Key Factors, State Financial Aid Programs + Intro to Student Pathways

Day 5, April 3

- Student Pathways and Transitions: Precollege, Inter-college, Private Postsecondary, Workforce

Day 6, April 4

- Public Testimony

Days 7-8, April 5-6

- State Support for Community Colleges
- Community College presentations

Day 9, April 10

- Public Testimony

Days 10-11, April 11-12

- State Support for Public Universities
- University presentations

Day 12, April 13

- Capital Construction, Other Missions of Universities

Day 13, April 17

- Public Testimony

Day 14, April 18

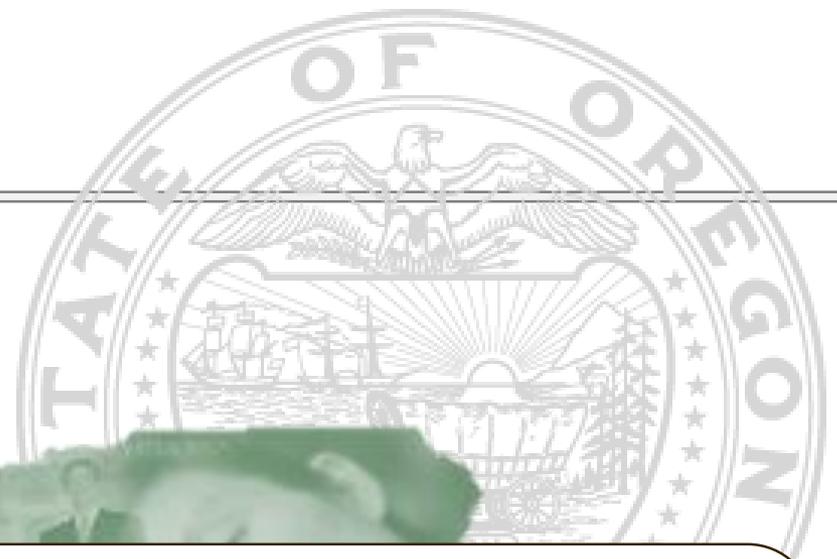
- OHSU Budget and Public Testimony

Day 15, April 19

- An Integrated postsecondary agency, HECC Operations, Conclusion

Start dates for presentation topics are tentative

OUR VISION



Higher Education Coordinating Commission Vision Statement

We will foster and sustain the best, most rewarding pathways to opportunity and success for all Oregonians through an accessible, affordable and coordinated network for educational achievement beyond a high school diploma.



KEY RESPONSIBILITIES

Providing one strategic vision for Oregon higher education planning, funding, and policy

- Developing state postsecondary education goals and strategic planning to achieve the state's goals
- Making budgetary recommendations for state postsecondary institutions and programs, and allocating funding

Authorizing postsecondary programs and degrees

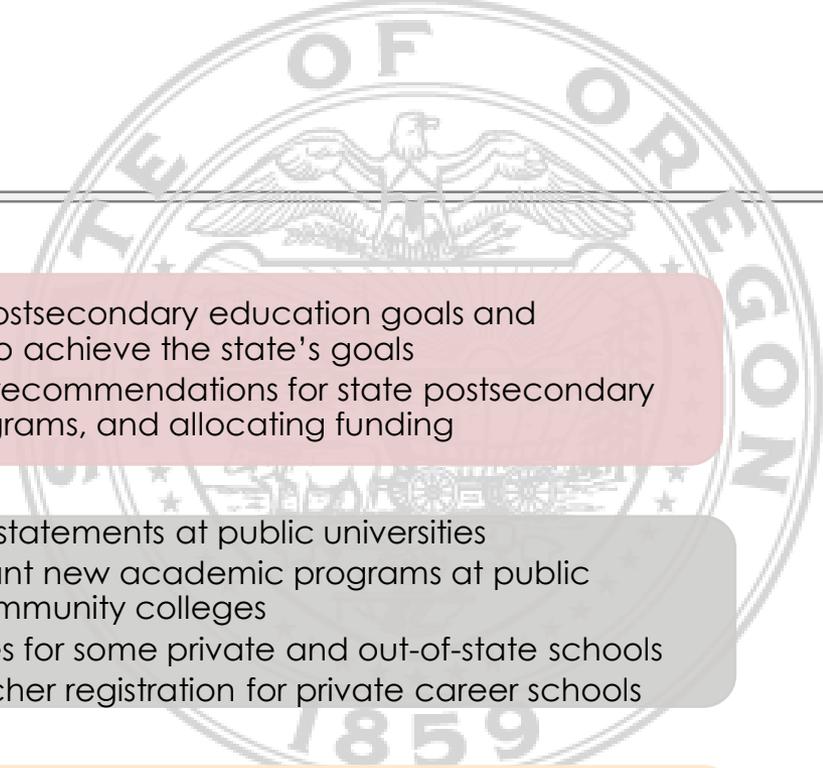
- Approving mission statements at public universities
- Approving significant new academic programs at public universities and community colleges
- Authorizing degrees for some private and out-of-state schools
- Licensure and teacher registration for private career schools

Administering key Oregon financial aid, workforce, and other programs

- State-administered financial aid and outreach (Oregon Opportunity Grant, Oregon Promise, and more)
- With OWIB and OED, managing state implementation of the federal Workforce Innovation and Opportunity Act (WIOA)
- Administration of Adult Basic Skills, GED, and other programs

Evaluating and reporting success of higher education efforts

- Data collection, analysis, research, and reporting across all sectors of higher education
- Annual institutional evaluations for public universities



HECC HISTORY AND STRUCTURE

Established in 2011 and vested with its current authorities in 2013, the Higher Education Coordinating Commission (HECC) is a **14-member volunteer commission appointed by the Oregon Governor**, with nine voting members confirmed by the State Senate. The Commission is supported by the **Higher Education Coordinating Commission state agency**, comprised of eight distinct offices led by Executive Director Ben Cannon.

Office of Executive Director, Policy & Communications

Office of Community Colleges and Workforce Development (CCWD)

Office of Operations

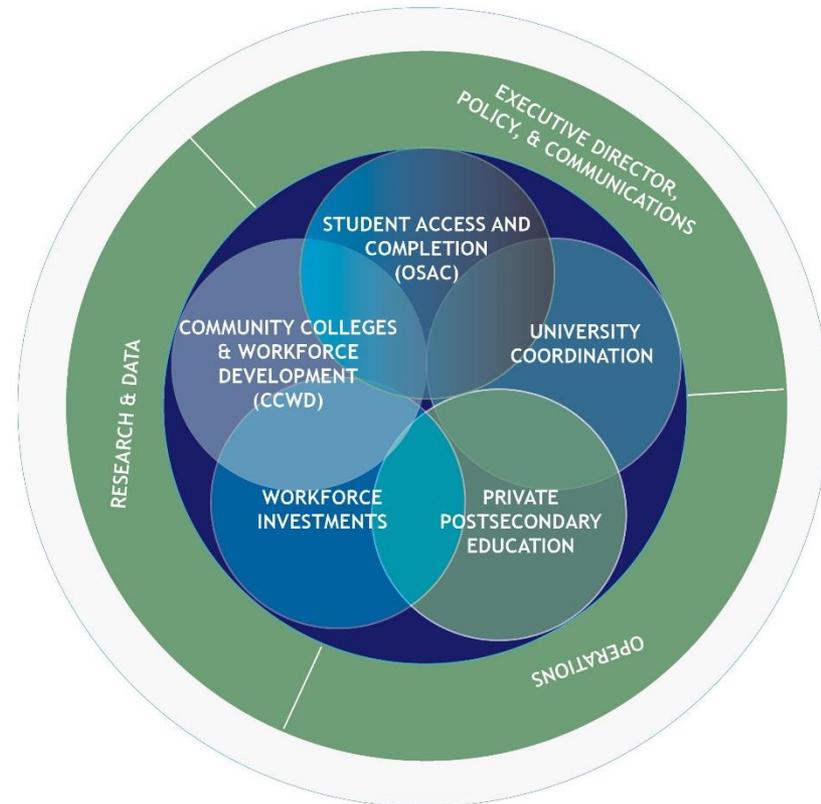
Office of Private Postsecondary Education

Office of Research & Data

Office of Student Access and Completion (OSAC)

Office of University Coordination

Office of Workforce Investments



HECC HISTORY: SIGNIFICANT CHANGE IN THE HIGHER EDUCATION LANDSCAPE

From five state agency boards to one*, a clearly-defined focus on coordination, not governance

2011

- **HECC established as a Commission with limited authority, no agency funding.**
- Oregon Education Investment Board (OEIB) established.

2013

- Institutional governing boards are approved by the Legislature for Oregon's public universities, which were previously governed by the State Board of Higher Education.
- **HECC vested with current authorities and agency functions first funded.**
- The Oregon Student Access Commission (OSAC) (previously a separate agency) is renamed Office of Student Access and Completion, and authority shifts to the HECC.
- The Office of Degree Authorization, previously housed in OSAC, moves to HECC.
- Private Career School licensing unit and the State Approving Agency for Veterans Benefits, formerly part of ODE, move to HECC.
- Board authority related to Community Colleges and Workforce Development (CCWD) moves from ODE to HECC.
- Existing local governing boards maintained at community colleges.

2014

- Institutional boards of trustees begin authority for largest 3 public universities.
- As the Oregon University System (former administrative function for the State Board of Higher Education) sunsets, some former OUS functions move to the HECC.

2015

- Institutional boards of trustees begin authority for 4 regional and technical universities.
- The CCWD, formerly a separate agency, becomes an Office of the HECC.
- The Oregon University System an State Board of Higher Education sunsets.
- Oregon Education Investment Board sunsets, and Chief Education Office is established to continue this work.

2016

- No major changes in governance/ organization structure.
- **HECC functioning as a coordinating commission and agency with a comprehensive, integrated approach to all sectors of postsecondary education.**

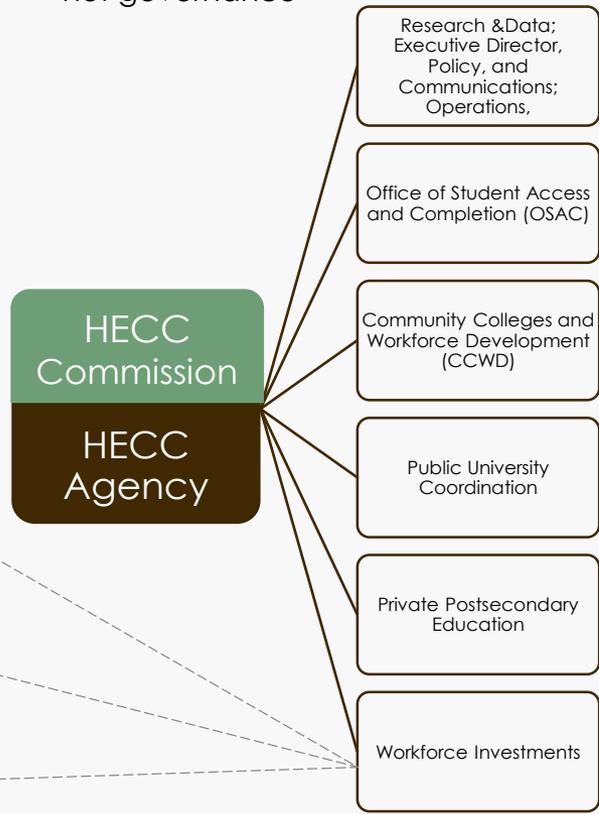
*State agency boards with higher education roles in 2011: OEIB, HECC, SBHE, SBE, OSAC. In 2017: HECC.

STATE HIGHER EDUCATION STRUCTURE

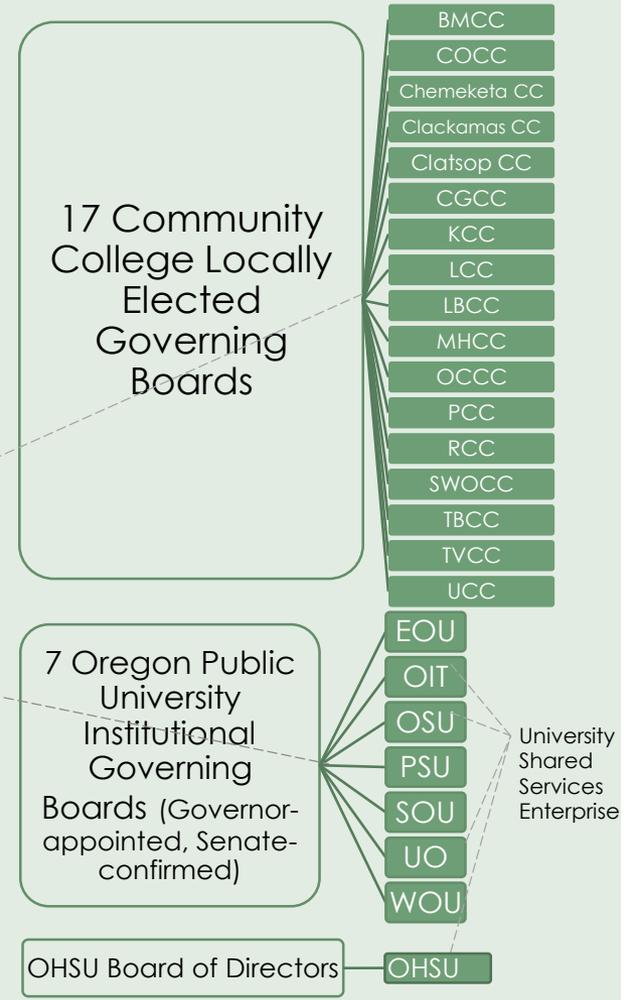


Higher Education Policy and Funding Coordination

- Responsibility across all sectors of higher education, public and private
- A clearly-defined focus on coordination, not governance



Public Institution Governance



A FEW HECC ACCOMPLISHMENTS SINCE 2015

Research and Policy to Guide State Decisions

- As assigned by the Oregon Legislature, convened postsecondary partners for research, work groups, and policy leadership, and **submitted 23 Reports to the Oregon Legislature in 2015-16** on topics of interest to policy leaders.

Affordability

- Successful launch of the **Oregon Promise**.
- Restructure of **Oregon Opportunity Grant (OOG)**, prioritizing lowest-income students.

Student Success

- Design and implementation of the **Student Success and Completion Model** for Oregon's seven public universities, incentivizing investments that lead to degree completion.
- Implementation of **federal workforce, career and technical education, GED, and adult basic skills programs** with community colleges, workforce partners, and other providers statewide.

Transitions between Sectors and Institutions

- **Additional standards for dual credit** and other high school-based college credit partnership programs.
- **FAFSA Plus+ outreach** initiative helping more high school seniors complete the FAFSA.
- Supporting students after the sudden closure of several for-profit private postsecondary campuses. For example, after closure of ITT Tech, coordinated with Portland Community College on **teach-out opportunity for former ITT Tech nursing students**.

HECC ROLES ON PRESENTATION TOPICS

Statewide strategic higher education leadership on funding and policy; research and data

- Introduction to Higher Education, Progress toward State Goals, Quick Funding History

Administration and allocation of state financial aid programs

- Affordability Challenge: Key Factors, Financial Aid + Intro to Student Pathways

Pre-college programs, PK-20 academic coordination and pathways, private postsecondary licensure and oversight, workforce programs

- Student Pathways and Transitions: Precollege, Inter-college, Private Postsecondary, Workforce

Policy coordination, budget development and funding allocation, academic program approval, CTE, GED, and ABS administration, leadership convening

- State Support for Community Colleges

Policy coordination, budget development and funding allocation, academic program approval, institutional evaluations and mission approval, leadership convening

- State Support for Public Universities

Budget development and prioritization, funding allocation

- Capital Construction, Other Missions of Universities

Coordination

- OHSU Budget

All activities of the agency

- An Integrated Postsecondary Agency: HECC Operations, Conclusion



INTRODUCTION TO
2017-2019
POSTSECONDARY
BUDGET PRIORITIES

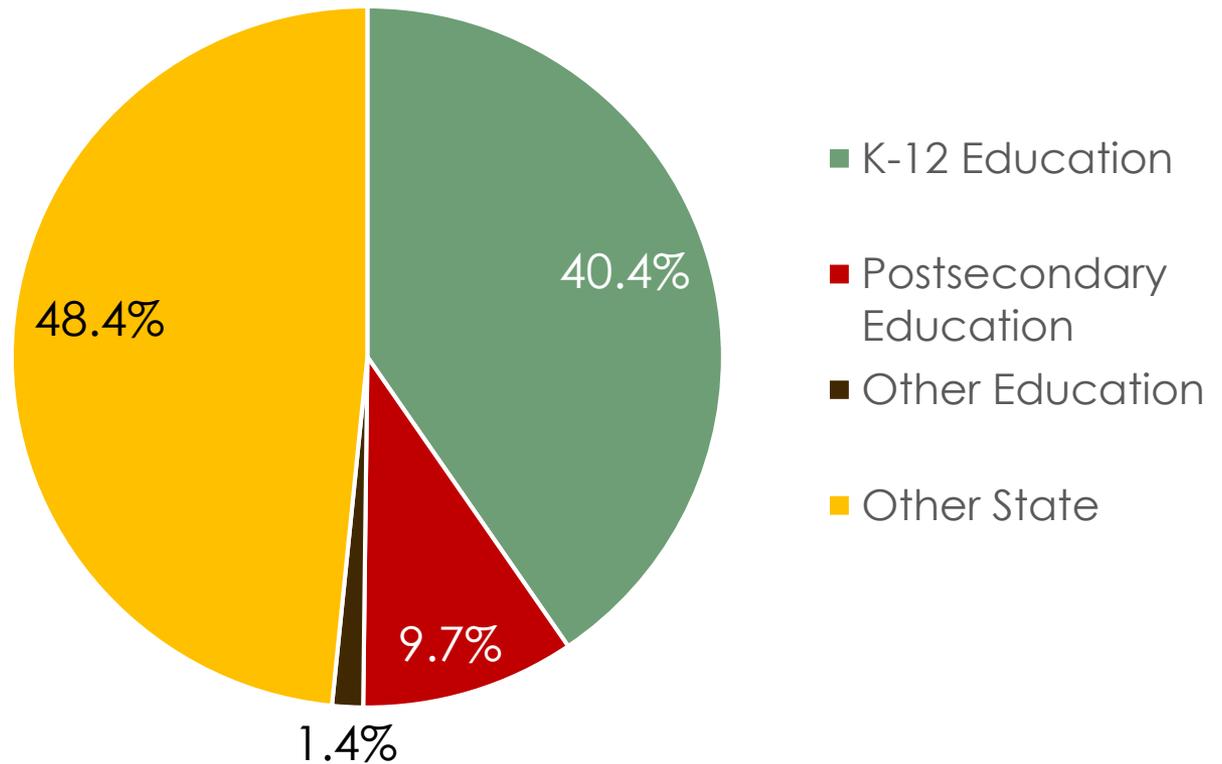
BUDGET PRIORITIES

Higher education transforms lives and communities.

In a constrained budget environment, the Governor's budget focuses on opening the doors of college opportunity and success for students and families, and the potential of postsecondary education to foster equity, economic mobility and successful futures for all Oregonians.

POSTSECONDARY EDUCATION AS COMPONENT OF STATE BUDGET

2015-17 Percent of Total State General Fund/ Lottery Fund State Expenditures (\$19.0 Billion Total)

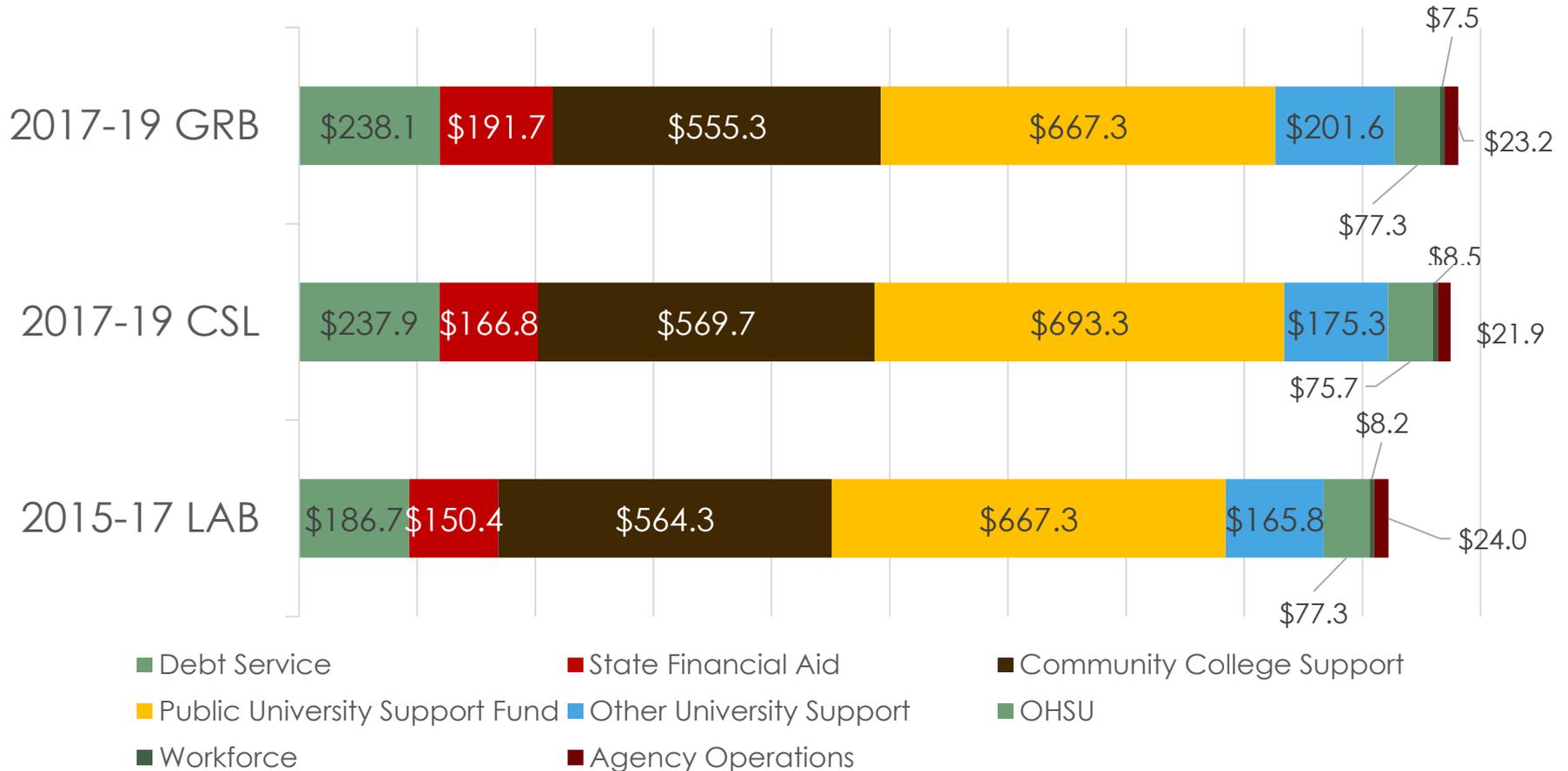


NOTE: The "Other Education" category includes Early Learning programs, Youth Development programs, and Chief Education Office.

Source: Legislative Fiscal Office, "2015-17 Budget Highlights Update".

WHAT IS THE STATE INVESTMENT?

State Investment in Postsecondary Education
(GF/LF only, in millions)



*Includes Agriculture Experiment Station, Extension Service, Forest Research Laboratory, Other State Programs, and Sports Action Lottery. 2017-19 GRB includes \$44 million LF to implement Measure 99 (Outdoor School Program).

BUDGET PRIORITIES: AFFORDABILITY

Invest in College Affordability and Opportunity

- Increasing and sustaining investments in Oregon's key financial aid programs, to ensure the opportunity for postsecondary success is within reach for Oregonians who are struggling financially
- Increase state **need-based aid (Oregon Opportunity Grant)** for the lowest-income Oregonians, including working adults
- Fully fund the **Oregon Promise** grant program, providing nearly tuition-free access to community college for recent high school graduates, protecting college access for families of all income levels

BUDGET PRIORITIES: STUDENT SUCCESS

Preserve Funding for Public Institutions to Foster Student Success

- Preserve critical investments made last biennium to public colleges and universities, and make historical investments in capital and campus safety to support the ability of campuses to support student success and completion
- **Preserve 2015-17 LAB investment levels in state support for public institutions** primarily through the Public University Support Fund and Community College Support Fund, maintaining historic state investment made in Oregon campuses last session
- Invest significant increases in **capital construction bonding** to ensure access and capacity to achieve Oregon's long term education goals
- Invest in **campus safety infrastructure** to ensure that institutions are best prepared to prevent and respond to safety emergencies

BUDGET PRIORITIES: STUDENT PATHWAYS

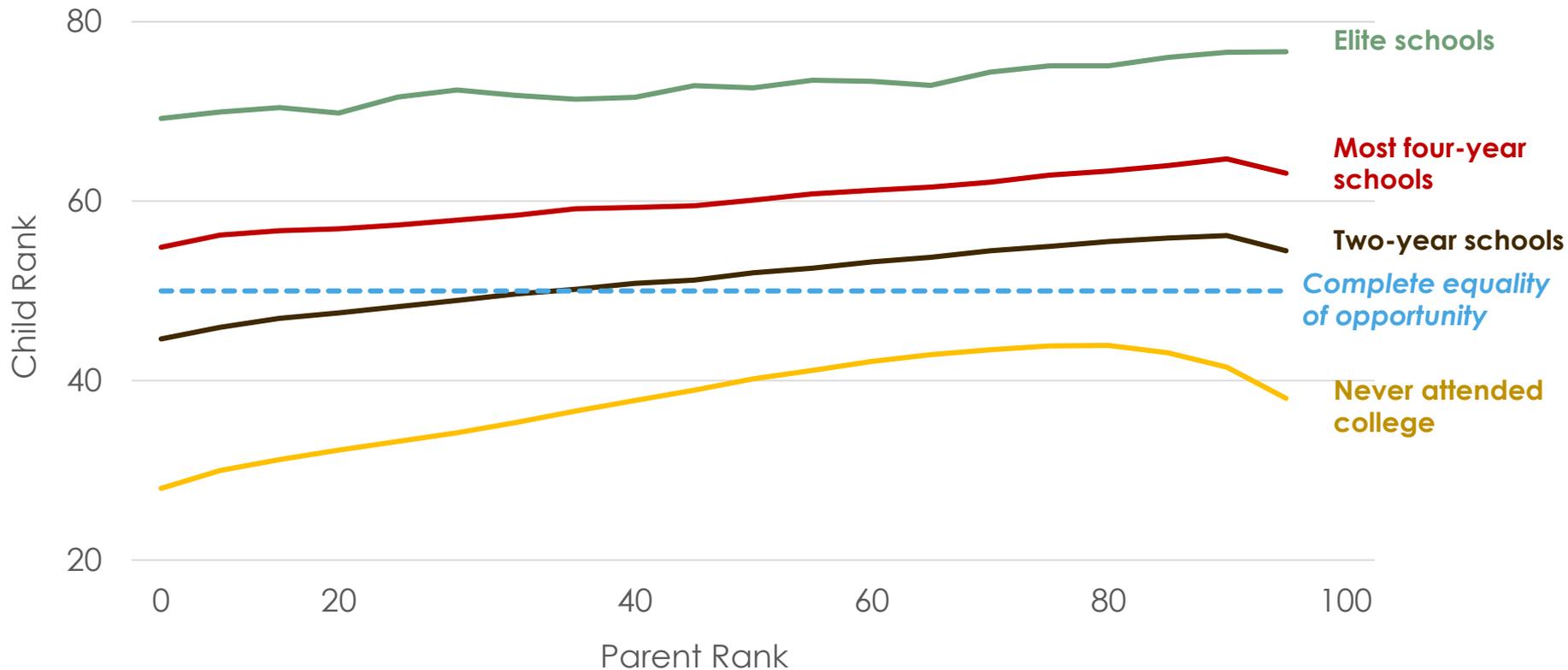
Sustain Investments to Improve and Simplify Student Pathways

- Support pathways between sectors and institutions, improving transitions from high school to postsecondary, from community colleges to universities, and from education to career
- Preserve investments in HECC agency operations dedicated to fostering pathways, including:
 - **Academic and policy coordination** across the PK-20 educational system
 - **Pre-college and financial aid outreach programs**
 - Policy leadership in accelerated learning, transfer pathways, credit for prior learning, workforce pathways, and more

OREGON HIGHER EDUCATION: RETURN ON INVESTMENT

HIGHER EDUCATION: A PROVEN ROUTE TO UPWARD MOBILITY

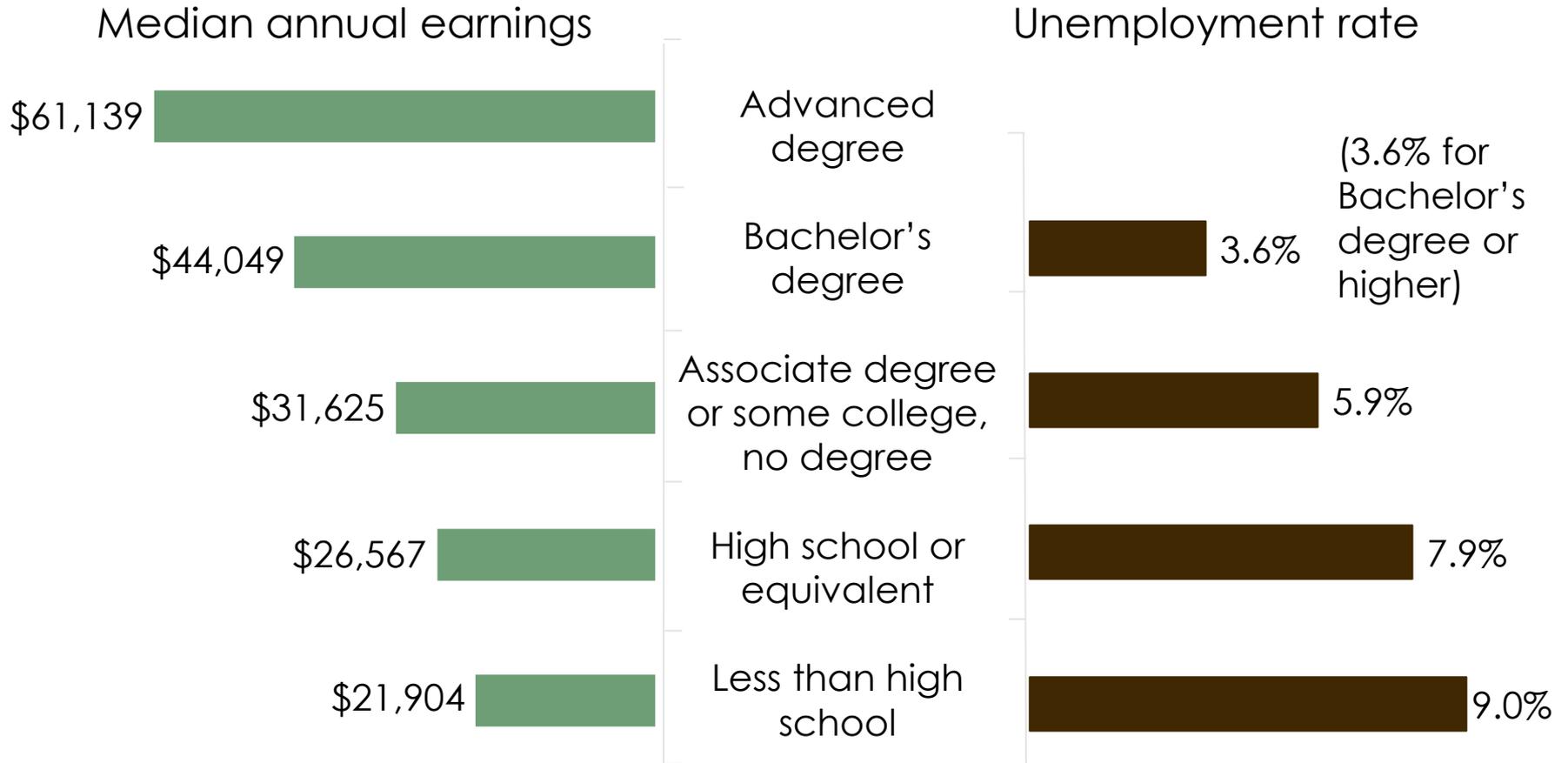
Child's income percentile at age 34 by parent's income percentile



Source: Chetty, R., J. Friedman, E. Saez, N. Turner, and D. Yagan. 2017. *Mobility Report Cards: The Role of Colleges in Intergenerational Mobility*. <http://www.equality-of-opportunity.org/college/>

NOTE: Includes 77 “Elite schools” including Ivy League and other selective schools; 1,280 in “Most four-year schools”, including Oregon’s 7 public universities (which are included in a “Selective Public/Private” tier of this group the study); 885 “Two-year schools” include Oregon’s 17 community colleges.

HIGHER EDUCATION LEVEL, HIGHER EARNINGS LOWER UNEMPLOYMENT

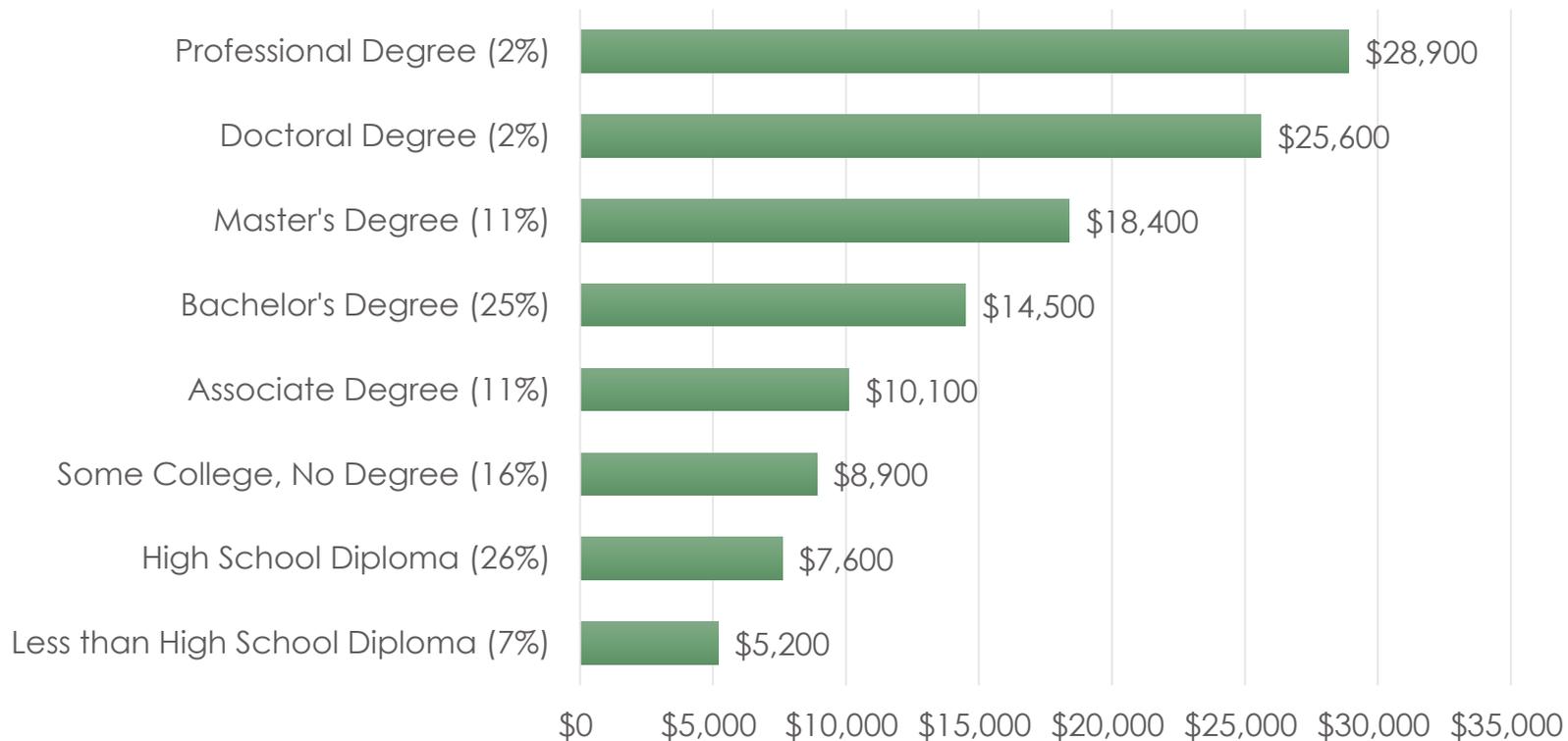


OREGON ADULTS, AGE 25-64, 2015

Source: 2015 American Community Survey, U.S. Census.

HIGHER EDUCATION, HIGHER INCOME, HIGHER FEDERAL TAX PAYMENTS: A CYCLE SUPPORTING THE PUBLIC GOOD

U.S. Tax Payments of Full-Time Year-Round Workers Age 25 and Older, by Education Level, 2015



NOTE: U.S. rates are shown here. A similar relationship is expected with state tax rates.

Source: The College Board, *Education Pays 2016*, Figure 2.1

<https://trends.collegeboard.org/sites/default/files/education-pays-2016-full-report.pdf>

POSTSECONDARY EDUCATION: CIVIC, HEALTH, AND FAMILY BENEFITS

Higher levels of postsecondary education correlate with:

- Higher earnings
- Lower rates of unemployment
- Less likely to participate in public assistance programs including Medicaid, School Lunch, SNAP, and Housing Assistance
- Less likely to live in households at poverty level
- Higher voting rates
- Higher volunteer rates
- More likely to have employer-provided health insurance coverage
- Higher rates of physical exercise
- Lower smoking rates
- Lower obesity rates, for individuals and for their children

SOURCE: The College Board, Education Pays 2016

<https://trends.collegeboard.org/sites/default/files/education-pays-2016-full-report.pdf>

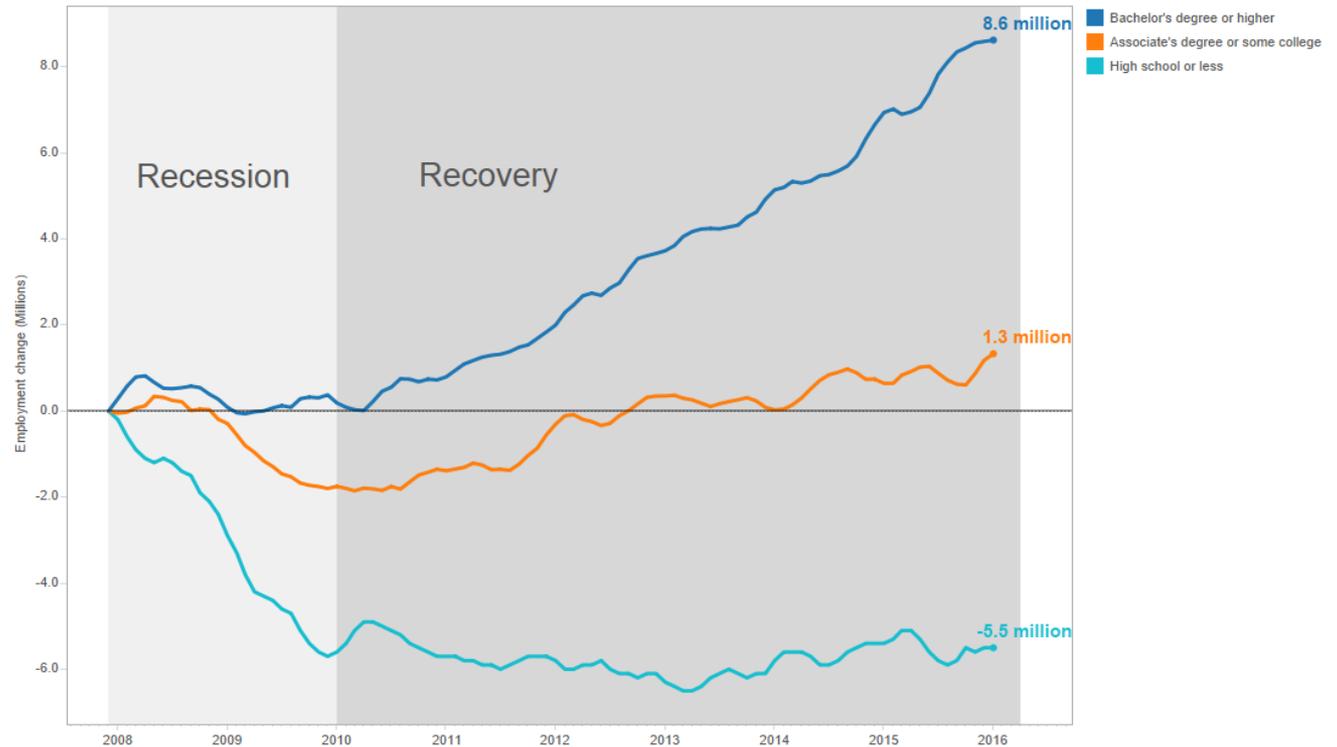
HIGHER EDUCATION AND EMPLOYMENT DURING RECESSION RECOVERY

Over 99 percent of job growth in the economic recovery went to workers with more than a high school education.

Workers with more than a high school education gained 11.5 million of the 11.6 million jobs added in the recovery.

During the recession, workers with a high school diploma or less lost a combined 7.4 million jobs.

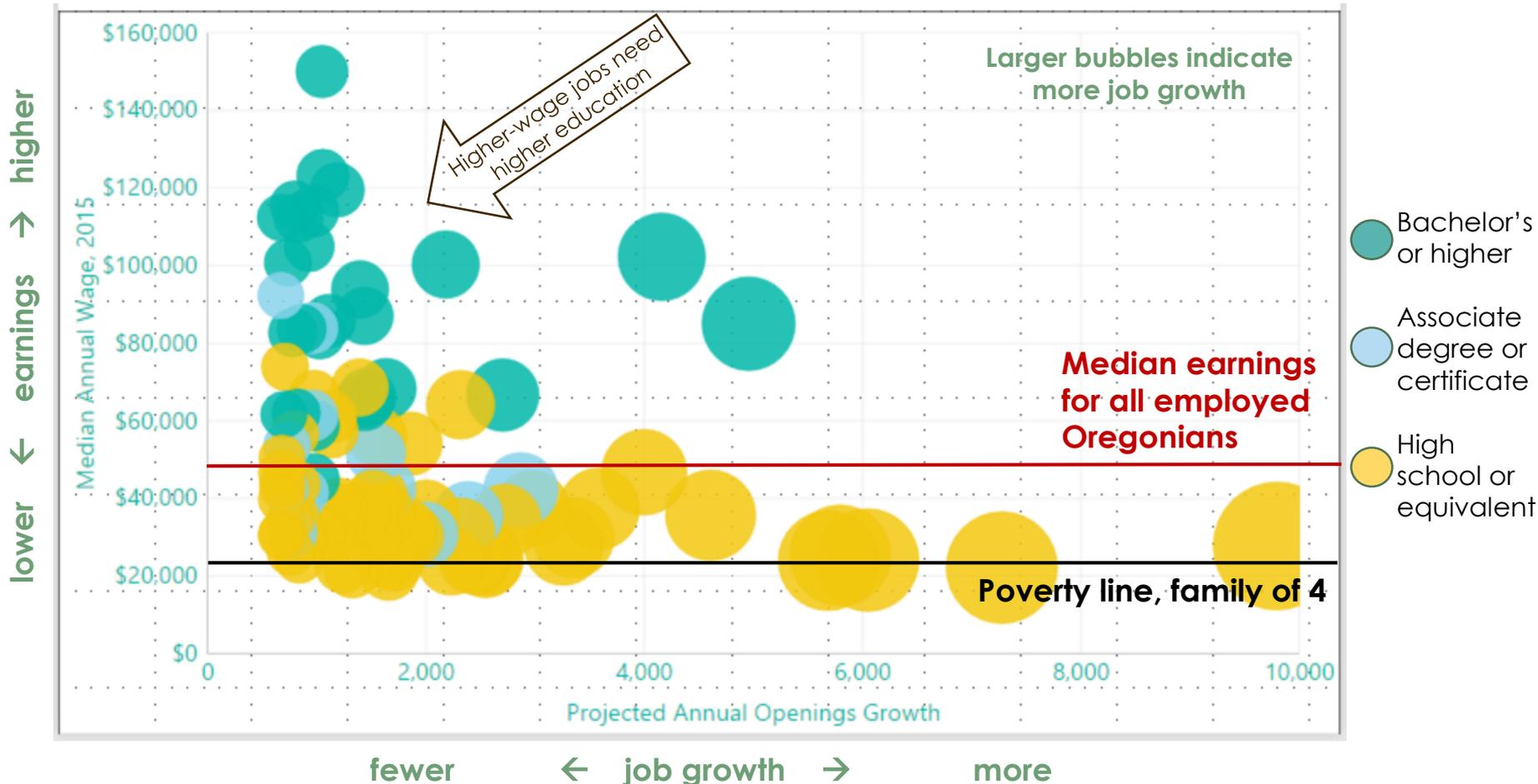
During the recovery, workers with a high school diploma or less gained only 80,000 jobs, while those with more education gained jobs.



SOURCE: Georgetown Center on Education and the Workforce, *America's Divided Recovery*, *College Haves and Have-Nots*, 2016 <https://cew.georgetown.edu/cew-reports/americas-divided-recovery/>

FOR FAMILY-WAGE JOBS, MOST PROJECTED GROWTH RELIES ON POSTSECONDARY EDUCATION

- Oregon projected job growth, by minimal required education and median earnings
- 100 occupations projected to grow the most represent 70% of all job growth 2014-24



Source: Oregon Employment Department, <https://www.qualityinfo.org/-/long-term-job-openings-fueled-by-growth-retirements> ; Bureau of Labor Statistics, Occupations with the most job growth projected 2014-2024, https://www.bls.gov/emp/ep_table_104.htm ; Bureau of Labor Statistics, May 2015 State Occupational Employment and Wage Estimates Oregon, https://www.bls.gov/oes/current/oes_or.htm . Note: Wages for physicians and surgeons is capped at \$150,000 for slide formatting.

A CLOSER LOOK AT FAMILY-WAGE JOBS REQUIRING POSTSECONDARY EDUCATION

Of the 100 jobs with the largest growth in Oregon, 40 have above-average earnings, and 30 of these 40 require postsecondary education.

Registered nurses

General and operations managers

Accountants and auditors

Computer programmers

Business operations specialists, all other

Computer network architects

Market research analysts, marketing specialists

Computer & information research scientists

Software and web developers

Managers, all other

Lawyers

Management analysts

Computer & information systems managers

Physicians and surgeons, all other

Physical therapists

Elementary school teachers

Financial managers

Computer occupations, all other

Real estate brokers

Software developers, systems software

Civil engineers

Sales managers

Cost estimators

Marketing managers

Wholesale and manufacturing sales rep's, technical and scientific products

Industrial engineers

Massage therapists

Secondary school teachers, except special and career/technical education

Construction managers

Medical and health services managers

Salary Range: \$53,000-\$143,000

Median income for all employed Oregonians: \$48,100

Source: Employment projections from Oregon Employment Department, <https://www.qualityinfo.org/-/long-term-job-openings-fueled-by-growth-retirements>. Salary data from Bureau of Labor Statistics, *Occupations with the most job growth projected 2014-2024*, https://www.bls.gov/emp/ep_table_104.htm



PROGRESS
TOWARD STATE
HIGHER
EDUCATION
GOALS

OREGON'S 40-40-20 GOAL



By 2025, 40% of adult Oregonians will hold a bachelor's or advanced degree, 40% will have an associate degree or a meaningful postsecondary certificate, and all adult Oregonians will hold a high school diploma.

ORS 350.014 (2011)

HECC STRATEGIC PLAN TO ACHIEVE STATE GOALS: SIX FOCUS AREAS

The HECC's 2016-20 Strategic Plan charts a path forward to make progress for all Oregon's current and future students.

- Read the plan: www.oregon.gov/highered/about/Pages/strategic-plan.aspx

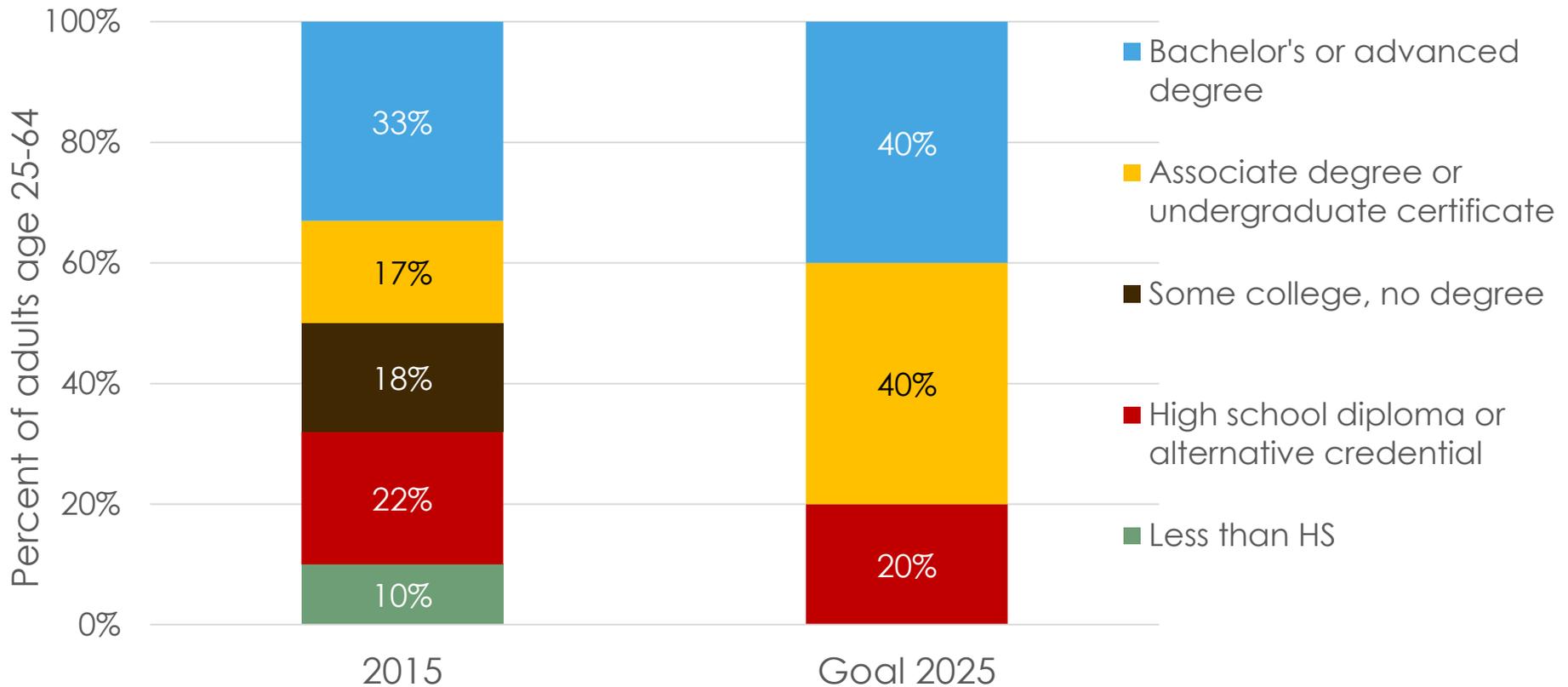
Defines six key priorities that will guide higher education funding and policy decisions within the HECC authority:

- **Goal-setting:** sharpening state higher education goals in specific areas, including for working-age adults, and better reporting our progress towards meeting them
- **Public College and University Funding:** supporting sustainable state funding linked to student success
- **Pathways:** simplifying and aligning student pathways from cradle to career
- **Student Support:** enhancing student success, safety, and completion
- **College Affordability:** limiting student costs for attending college in Oregon
- **Economic and Community Impact:** contributing to prosperous workforce, economy, and communities

Anchored in an Equity Lens, which commits the commission and agency to ensure its policy and resource allocation decisions advance equity.

EDUCATIONAL ATTAINMENT RATES FOR OREGON ADULTS (25-64) VERSUS 40-40-20 GOAL

Educational Attainment Rates for Oregon Adults Versus 40-40-20 Goal



Source: American Community Survey data, 1-year estimates of population age 25 and older.

THE MIDDLE 40

We endorse a broad understanding of what “counts” for the middle 40, including:

Two-year
Associate
degrees

One-year
certificates

Registered
apprentice-
ships

Career
pathways
certificates

Other
credentials

40-40-20: CLARIFYING THE GOAL

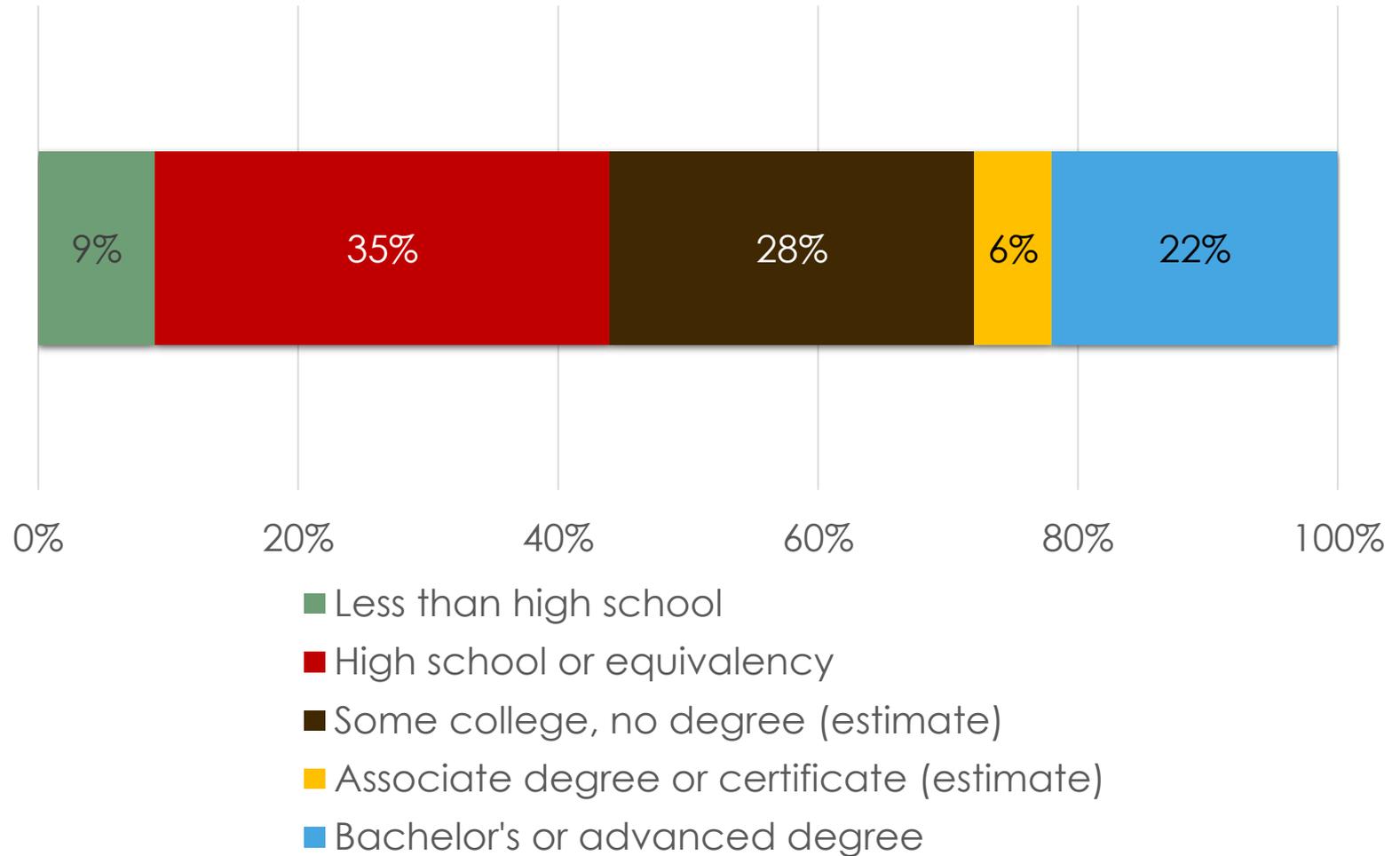
Oregon's 40-40-20 goal, as it exists today in statute, applies to the entire adult population.

- Would imply a massive adult education effort is needed to reach hundreds of thousands of Oregonians with adult education programs, including those who are nearing or beyond retirement age.

In HB 2311 (2017), HECC proposes clarifying the 40-40-20 as a pipeline goal, applying to the expected high school class of 2025 (and beyond).

HB 2311 also proposes that the Commission establish, by rule, new appropriate attainment goals for adult Oregonians, aligned with projected job opportunities.

EDUCATIONAL ATTAINMENT, OREGON HIGH SCHOOL CLASS OF 2006 (IN 2013)



Source: HECC review of ECONW Analysis, The Education Pathway, Oregon Learns, OregonLearns.org

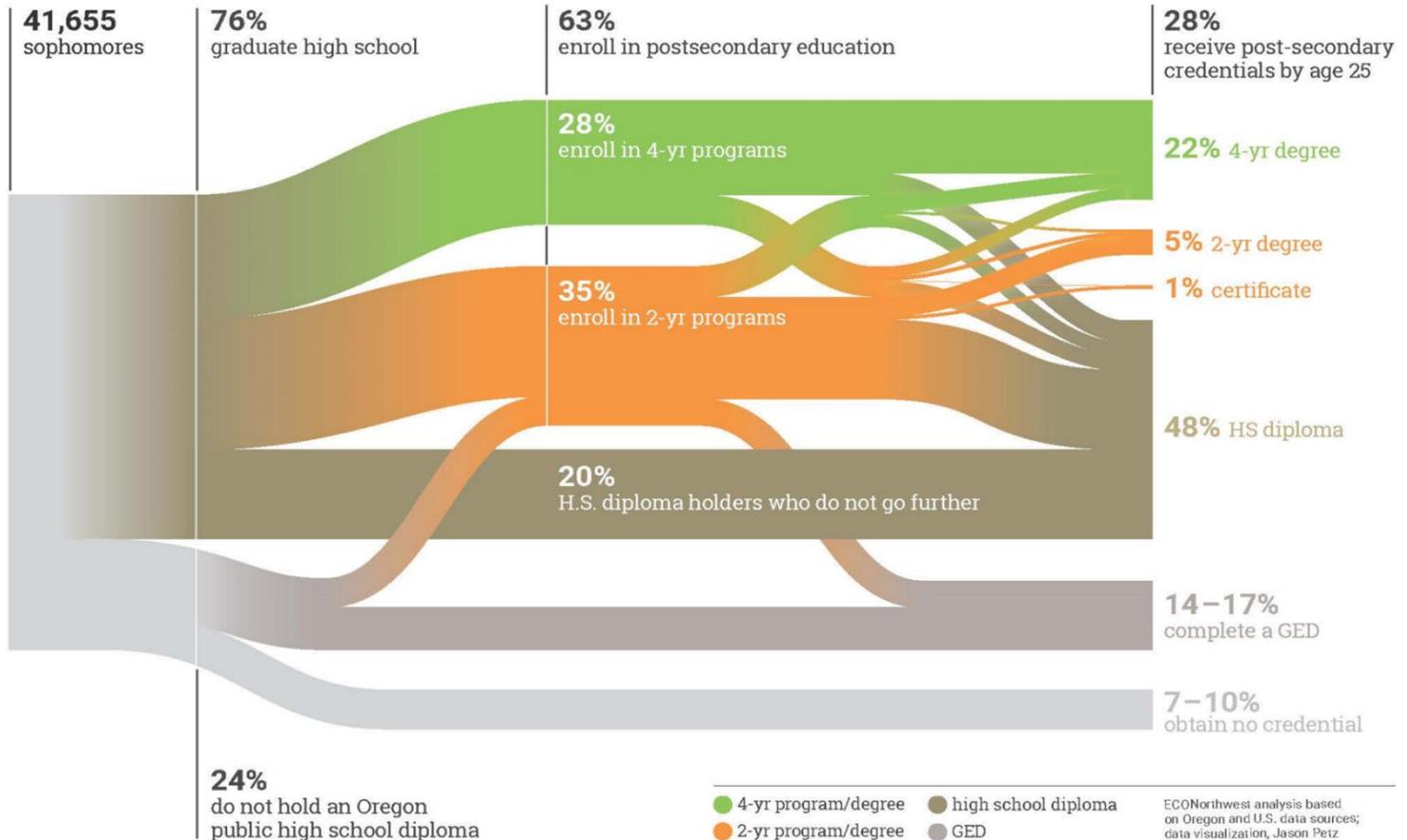
OREGON EDUCATION PATHWAY



The Education Pathway

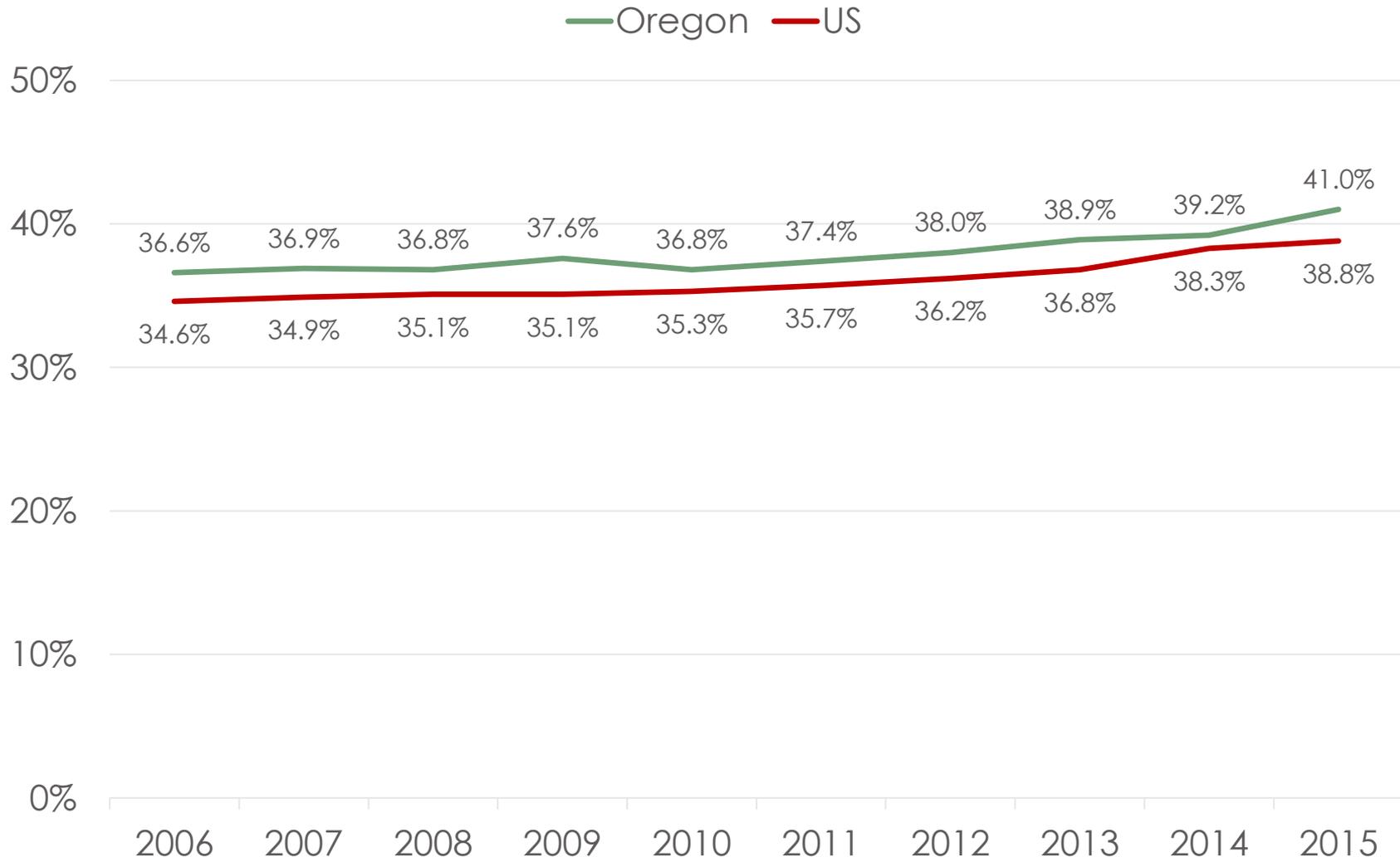
Where the Oregon public high school class of 2006* went over the next nine years

*sophomores in 2003-04



Source: ECONorthwest analysis based on Oregon and US data sources, data visualization Jason Petz. OregonLearns.org

40-40-20 TRENDS: PERCENTAGE OF ADULTS WITH ASSOCIATE DEGREE OR HIGHER



Source: American Community Survey data, 1-year estimates of population age 25 and older. Does not include people for whom a post-secondary certificate or apprenticeship is their highest form of educational attainment.

EQUITY LENS

In 2014, the HECC adopted the Equity Lens initially developed by the (former) Oregon Education Investment Board, as a cornerstone to the State's approach to policy and budgeting. The HECC 2016-20 Strategic Plan is anchored by this commitment.

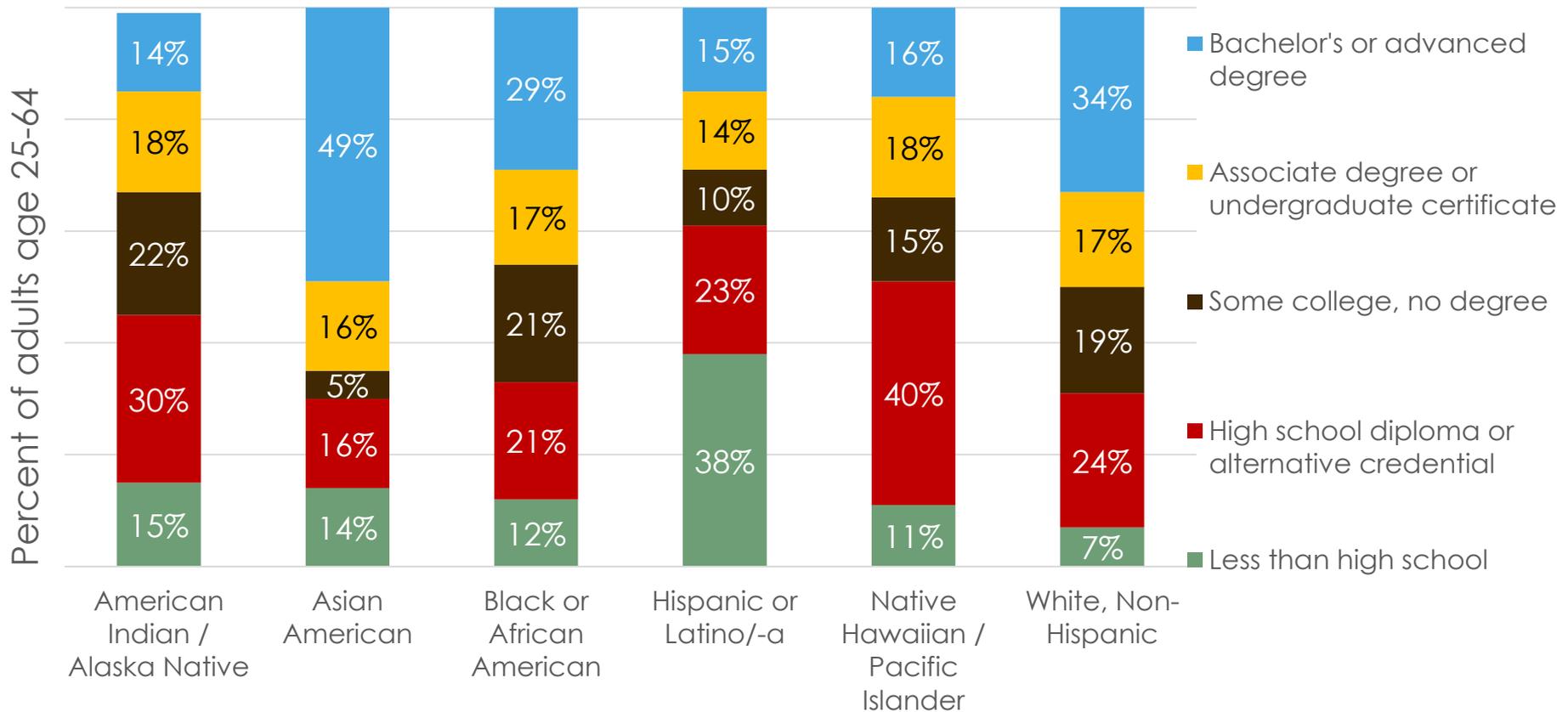


"...Equity requires the intentional examination of systemic policies and practices that, even if they have the appearance of fairness, may in effect serve to marginalize some and perpetuate disparities. Data are clear that Oregon demographics are changing to provide rich diversity in race, ethnicity, and language. Working toward equity requires an understanding of historical contexts and the active investment in changing social structures and changing practice over time to ensure that all communities can reach the goal and the vision of 40/40/20."

-Excerpt, Case for Equity, Equity Lens

EDUCATIONAL ATTAINMENT RATES FOR OREGON ADULTS VERSUS 40-40-20 GOAL

Educational Attainment Rates for Oregon Adults Versus 40-40-20 Goal



Source: American Community Survey data, 1-year estimates of population age 25 and older.



Date: March 28, 2017
Presented to: Joint Ways
and Means, Education
Subcommittee

INTRODUCTION TO OREGON HIGHER EDUCATION STUDENTS AND STRUCTURE

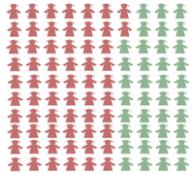
PRESENTED BY:
BEN CANNON, EXECUTIVE
DIRECTOR, HECC

OREGON AS 100 COLLEGE STUDENTS

STUDENTS AT OREGON DEGREE-GRANTING INSTITUTIONS, PUBLIC AND PRIVATE

FULL OR PART TIME

62% Full-time
38% Part-time



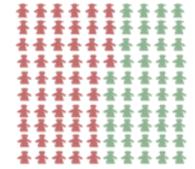
TYPE OF SCHOOL

53% 4-year
47% 2-year



GENDER

54% Female
46% Male



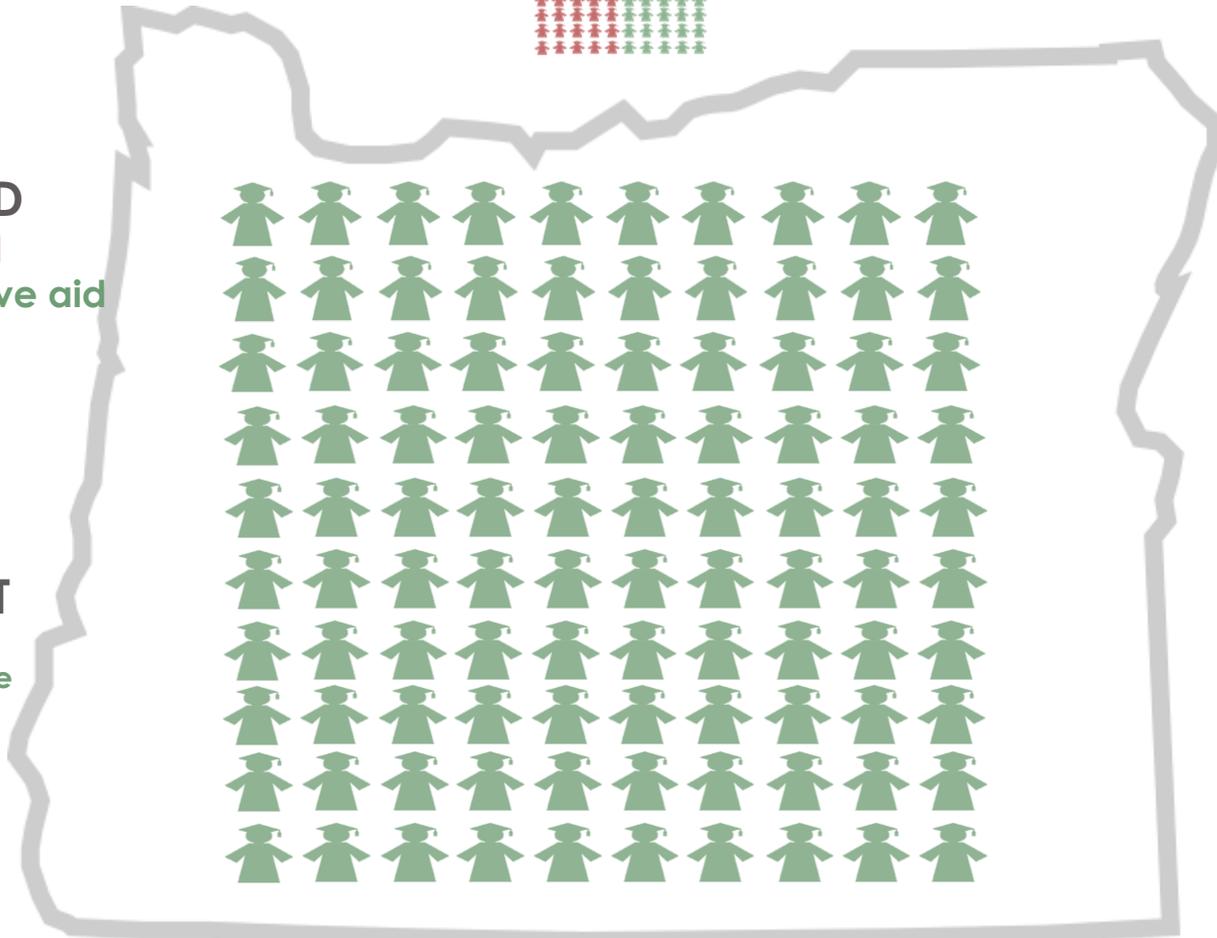
FINANCIAL AID

82% Received aid
18% Did not receive aid



LEARNING ENVIRONMENT

74% Classroom only
16% Classroom + online
10% Online only



AGE

27% <19 38%: 20-24
13%: 25-29 22%: 30+



RACE/ETHNICITY

1% Amer Indian/Native American
6% Asian-American/Pac. Islander
3% Black/African-American
12% Hispanic/Latino/a
6% Two or more
72% White

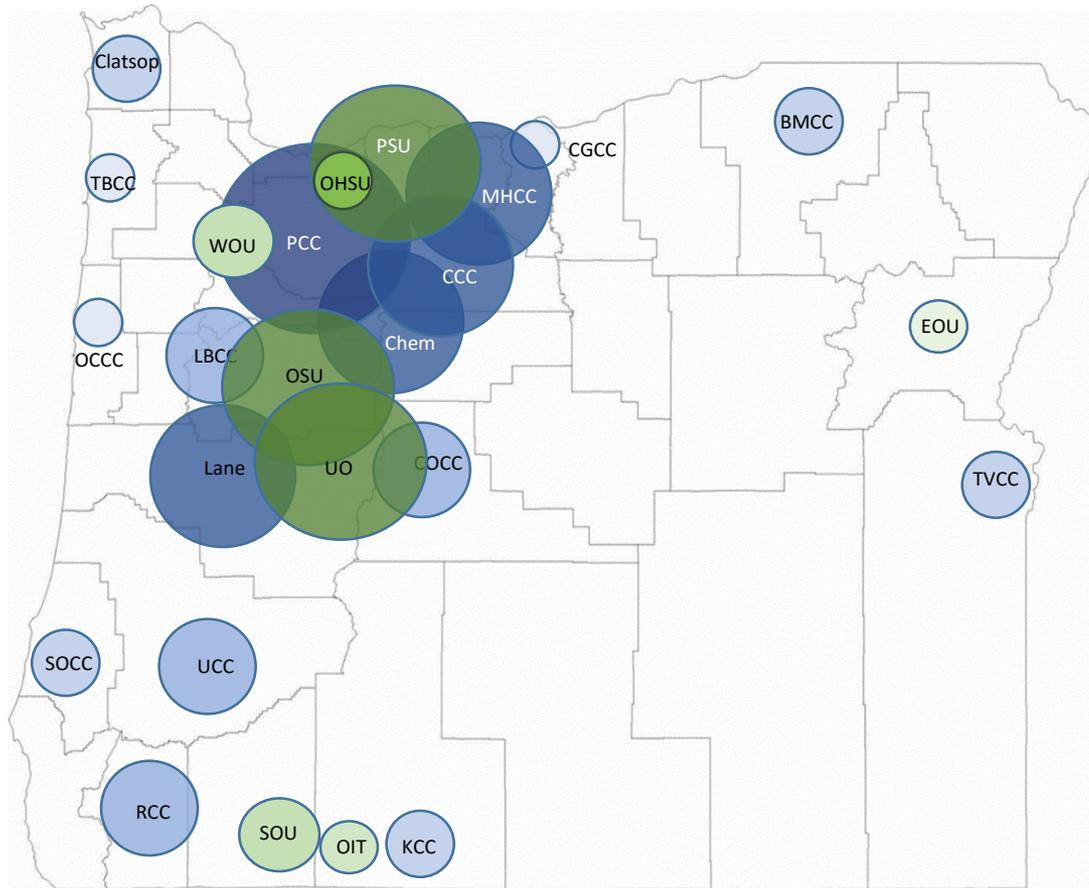


Source: IPEDS, Fall term 2014-15 (age) and 2013-14 (other categories). NOTE: IPEDS data source overestimates community college full-time enrollment.

ENROLLMENT

2015-16

academic year headcount¹



Community Colleges

78,775	PCC
29,822	Chem
28,215	Lane
27,475	MHCC
26,044	Clack
19,508	LBCC
16,292	COCC
16,236	RCC
14,542	UCC
8,311	SOCC
8,225	BMCC
6,719	TVCC
5,929	Klamath
5,357	Clatsop
3,046	CGCC
2,024	OCCC
1,989	TBCC

298,509*

Public Universities

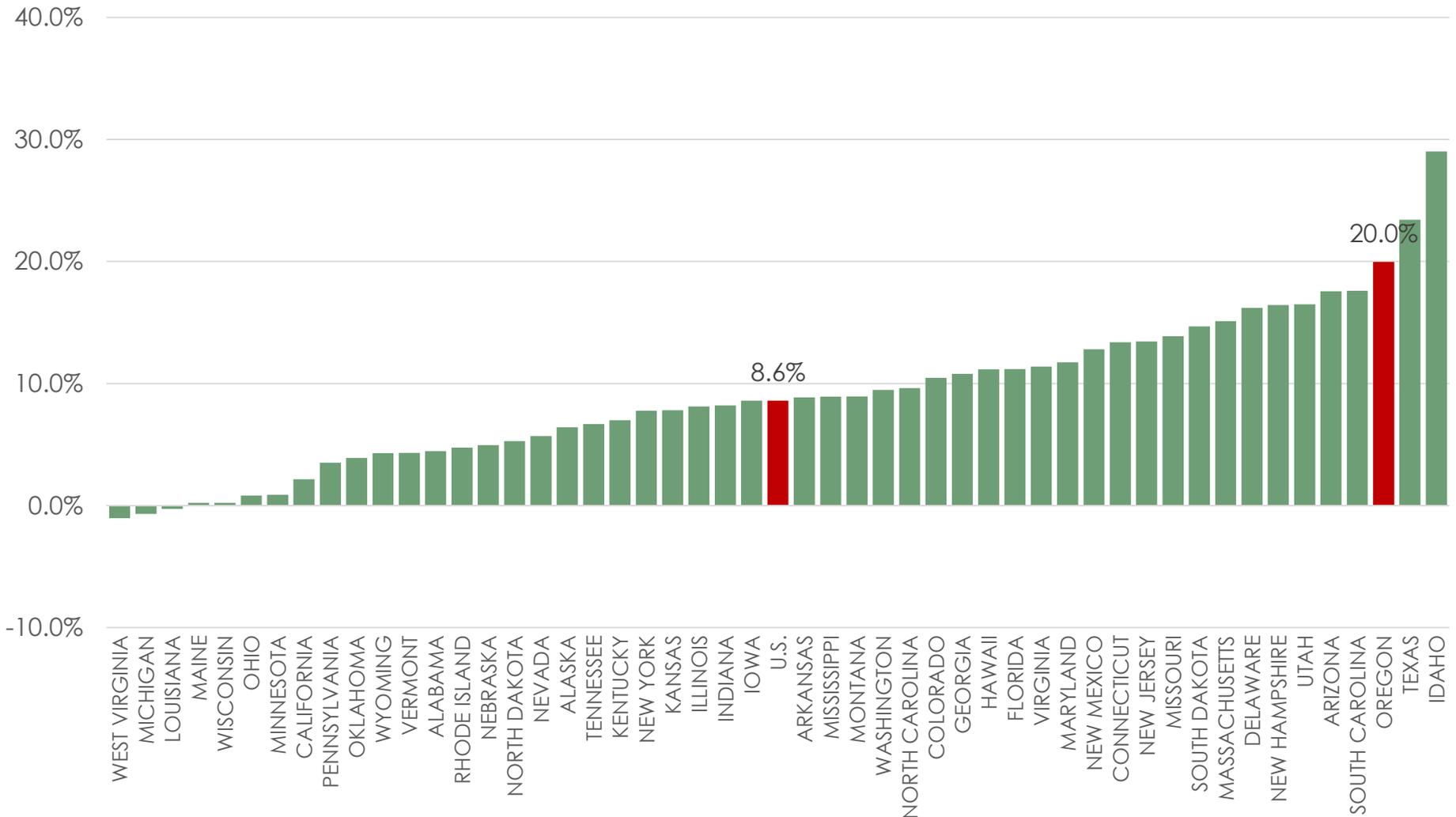
38,798	PSU
37,468	OSU
27,477	UO
8,183	SOU
7,114	WOU
6,556	OIT
5,866	EOU

131,462

1. Total headcount may contain duplicates for students who attend multiple institutions during the same academic year.
2. Total headcount for OHSU is for Fall of 2016.
3. Total headcount for 20 of the 24 Oregon-based state regulated institutions who have reported data or reported it correctly for the 2015-16 academic year and institutions exempt from ongoing regulation (Oregon Alliance of Independent Colleges and Universities).
4. Total headcount for 107 of the 201 institutions who reported data or reported it correctly for the 2015-16 academic year.

PUBLIC POSTSECONDARY NATIONAL COMPARISON

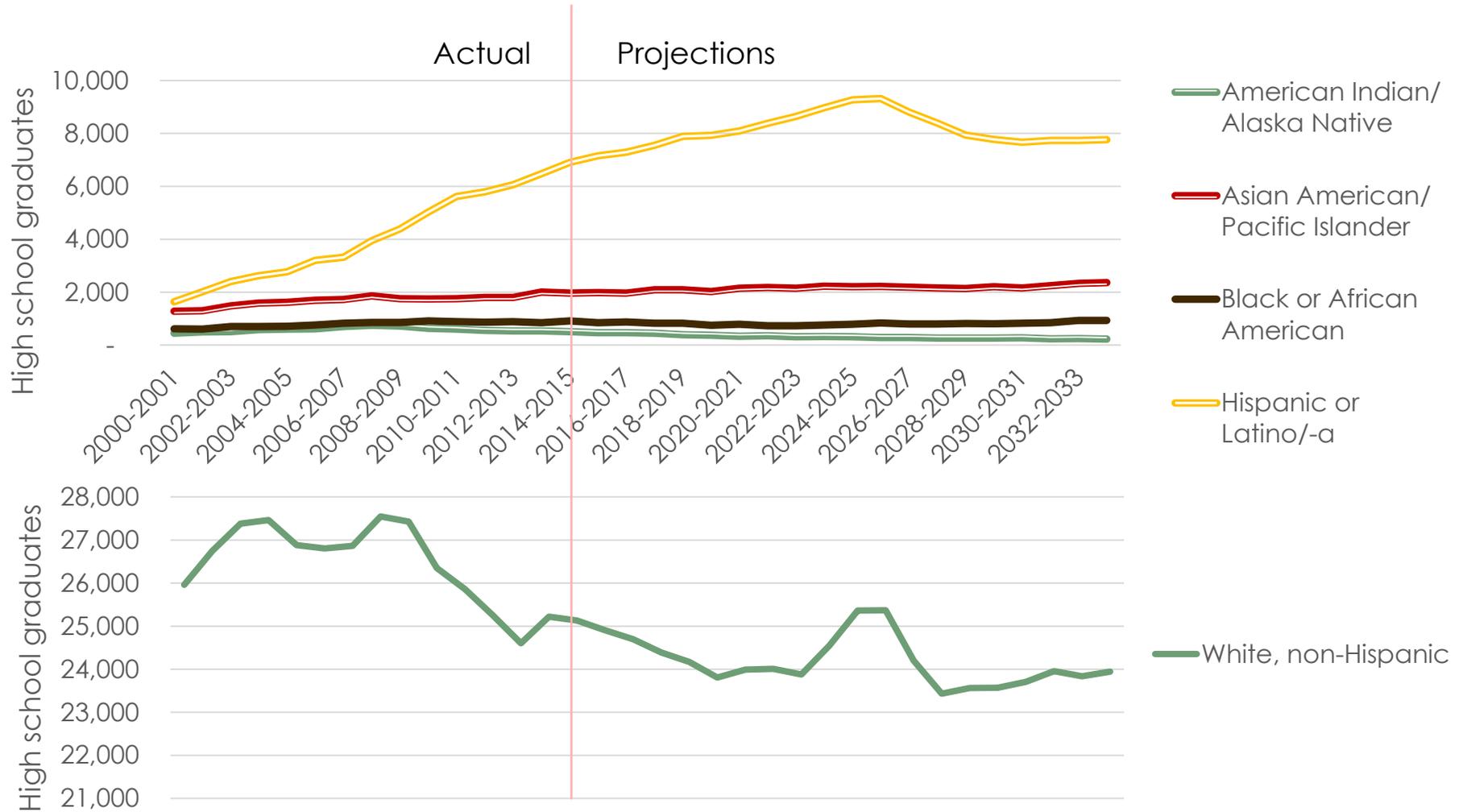
FTE ENROLLMENT: PERCENT CHANGE SINCE RECESSION (2008-2015)



Source: 2015 State Higher Education Finance Report, SHEEO, <http://www.sheeo.org>

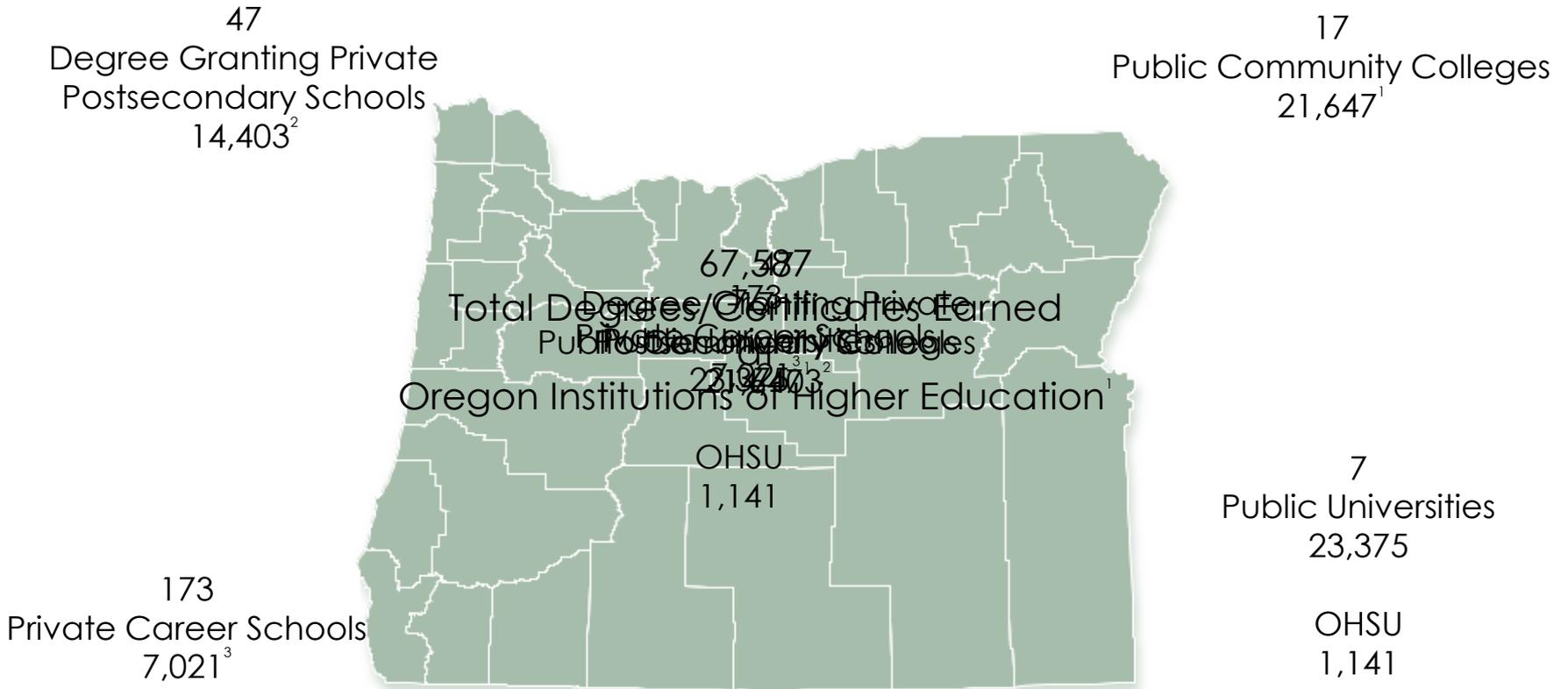
OREGON YOUTH PIPELINE INCREASINGLY DIVERSE

OREGON PUBLIC HIGH SCHOOL GRADUATES BY RACE/ETHNICITY, 2000-01 TO 2014-15 (ACTUAL), 2015-16 TO 2033-34 (PROJECTED)



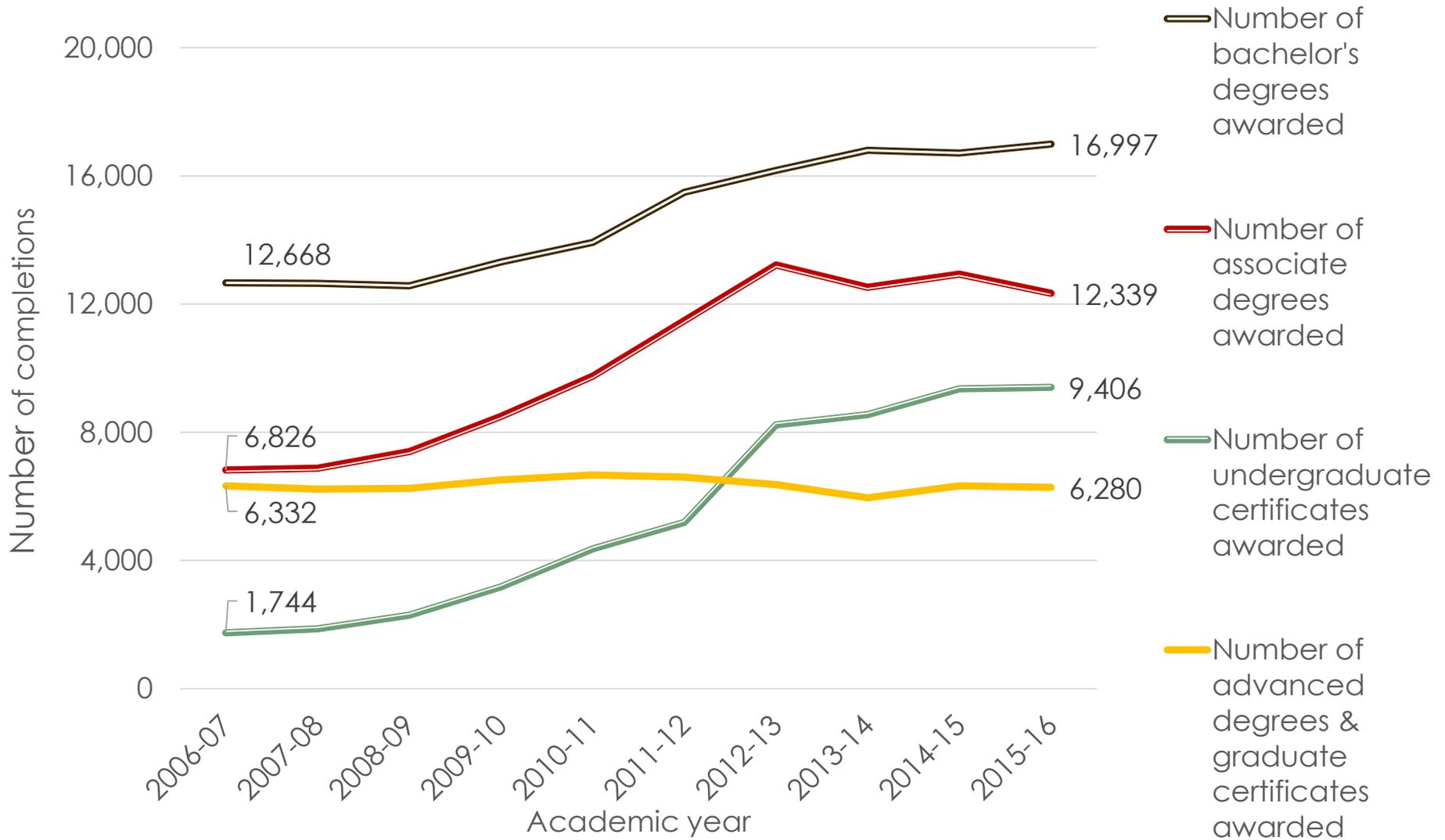
Notes: Projections derived from HECC analysis and include progression ratios from kindergarten through high school graduation, use the most recent four years of data, and include students entering or exiting the public school system (typically through migration). Sources: Centers for Disease Control data on Oregon birth rates by race-ethnicity, National Center for Education Statistics data on Oregon public elementary and secondary school enrollment and on private high school graduates, Oregon Department of Education (ODE) data on public high school graduates, and historic ODE data on home school graduates.

2016 COMPLETIONS



1. Includes Oregon Transfer Module, 1-2 yr. certificates, Associate/Bachelor/Master/PhD degrees, Post-doctoral and professional certificates.
2. Total completions from 18 of the 24 Oregon-based regulated schools and 23 exempt institutions who correctly reported data for the 2015-16 academic year.
3. Total completions from 97 of the 201 Oregon-based schools who have reported data or reported it correctly for the 2015-16 academic year.

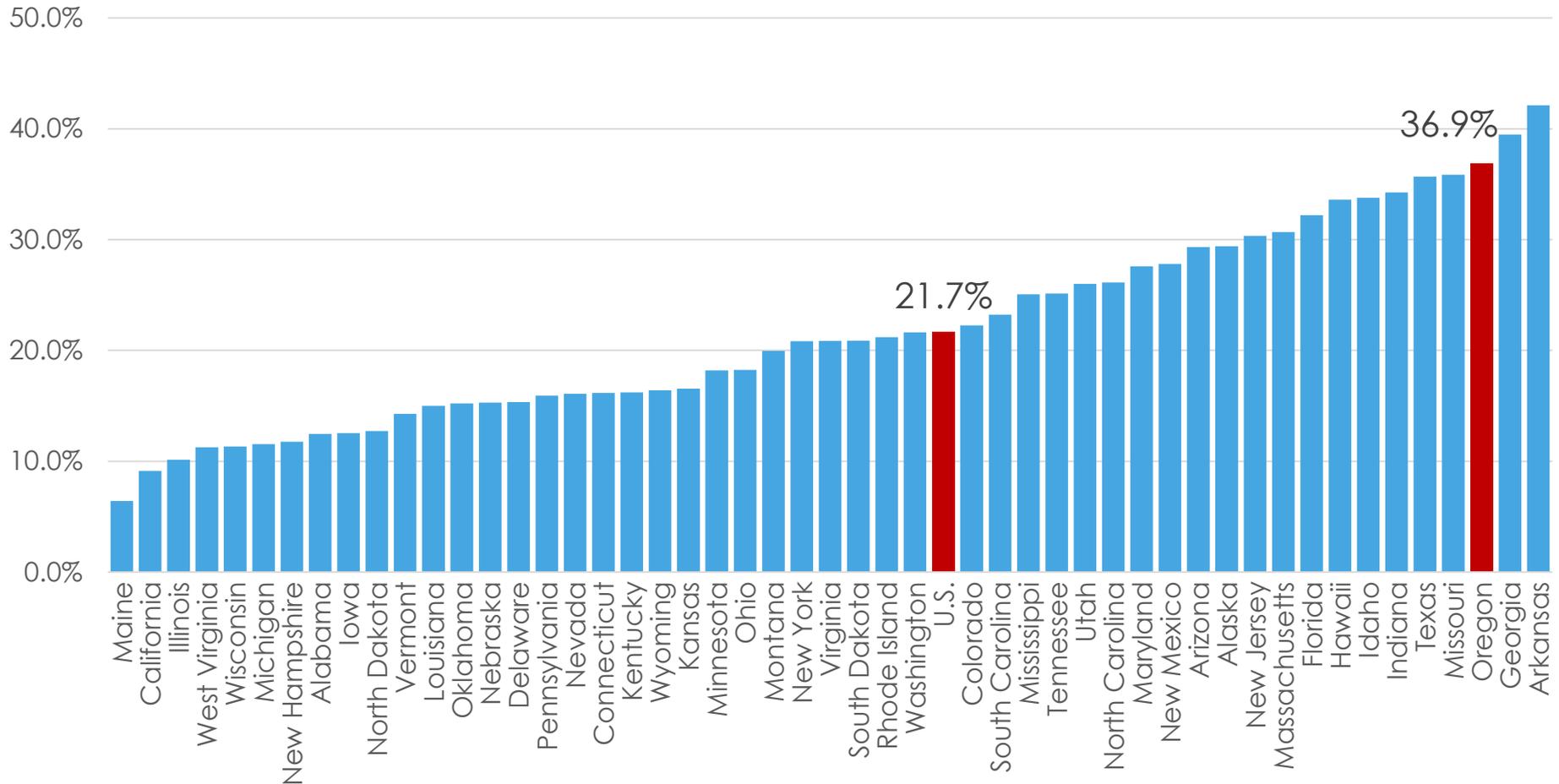
RISING CERTIFICATE AND DEGREE COMPLETION AT OREGON PUBLIC INSTITUTIONS



Source: HECC analysis of student-level data.

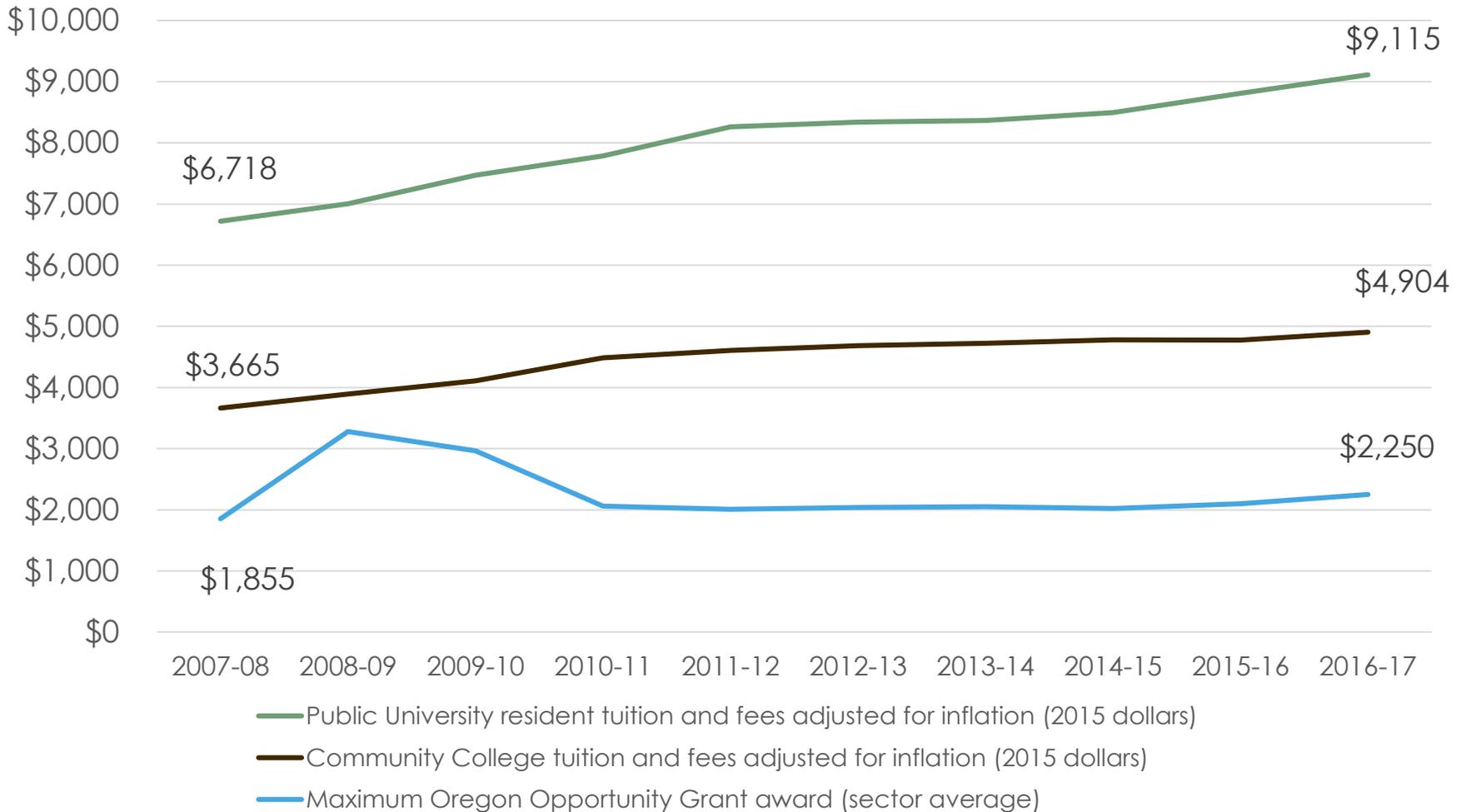
PUBLIC POSTSECONDARY NATIONAL COMPARISON

TOTAL DEGREES AWARDED, EXCLUDING CERTIFICATES: PERCENT CHANGE SINCE RECESSION (2008-2014)



Source: 2015 State Higher Education Finance Report, SHEEO, <http://www.sheeo.org>

TUITION AND FEES IN RELATION TO STATE NEED-BASED AID AT PUBLIC INSTITUTIONS



Source: HECC analysis of community college, university and HECC data.

Note: Tuition and fees based on 15 credits. Inflation adjustment based on Portland CPI-U, with the exception of 2016-17 which retains its current value. Source: HECC analysis of community college and HECC data.

Slide corrected April 12, 2017

STUDENT FACE COST CHALLENGES BEYOND TUITION AND FEES

The average total cost is significantly higher than tuition and fees alone.

- Total average cost at Oregon's Public Universities in 2016-17: \$24,367. Tuition and Fees: \$9,115.
- Total average cost at Oregon's community colleges in 2016-17: \$17,788. Tuition and Fees: \$4,904.

The majority of public postsecondary students seeking financial aid do not receive enough to meet college costs without loans.*

- Among Oregon community college FAFSA filers in 2015-16, 74.9% had unmet need after grant aid and expected family contribution is applied.
- Among Oregon's public university FAFSA filers in 2015-16, 83.0% had unmet need after grant aid and expected family contribution is applied.

*NOTE: Average cost of attendance (CoA) surpasses expected family contribution (EFC) and grant aid combined.

Sources: Analysis of university tuition, HECC data, and 2016 Standard Average Student Budgets for Oregon Public Postsecondary Institutions http://www.oregonstudentaid.gov/osac-doc/Student_Budgets.pdf, HECC Key Performance Metrics (22 and 23). Actual student budgets vary widely.

HIGHER EDUCATION ENROLLMENT AND COMPLETION RELATED KEY PERFORMANCE METRICS

Data will be
presented
with HECC
Agency
Operations,
Appendix

KPM 1: Oregon high school graduates attending college

KPM 6: Number of community college students who have earned 15-29 college credits

KPM 7: Number of community college students who have earned 30-44 college credits

KPM 8: Number of community college students who earn at least 45 college credits

KPM 9: Certificate and Oregon Transfer Module earners

KPM 10: Community college associate degrees

KPM 11: Community college completions per 100 students (credit-bearing FTE)

KPM 12: Community college to university transfers

KPM 16: Public university six-year graduation rates

KPM 17: Number of public university bachelor's degrees awarded each academic year

KPM 18: Number of public university advanced degrees and graduate certificates awarded

KPM 19: Number of public university bachelor's degrees awarded to community college transfers

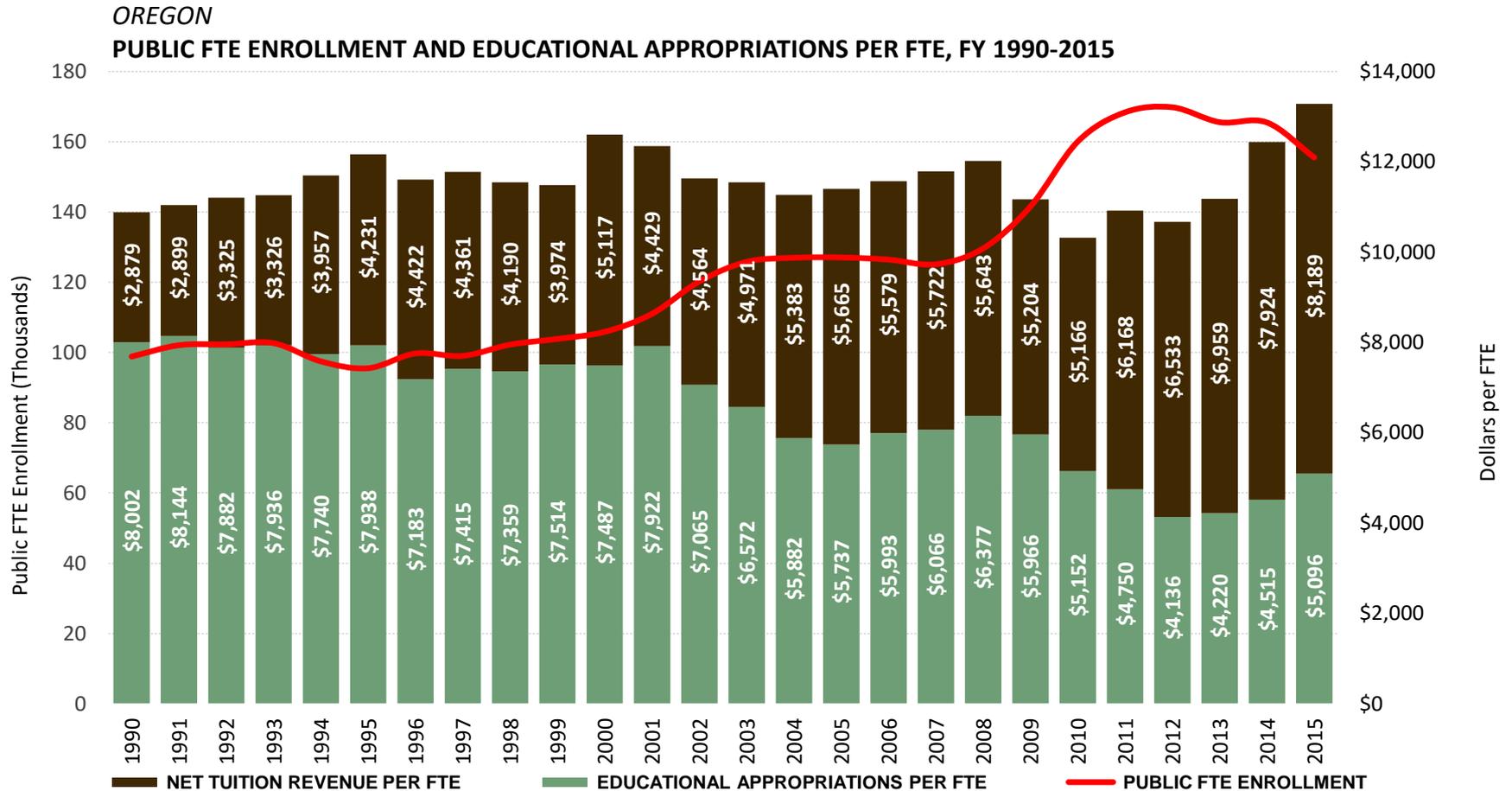
KPM 20: Public university graduation rate for non-traditional students

KPM 22: Percentage of resident enrolled students who are incurring unaffordable costs, CCs and universities



A QUICK HISTORY OF HIGHER EDUCATION FUNDING

OREGON PUBLIC FTE ENROLLMENT AND EDUCATIONAL APPROPRIATIONS PER FTE, FY 1990-2015

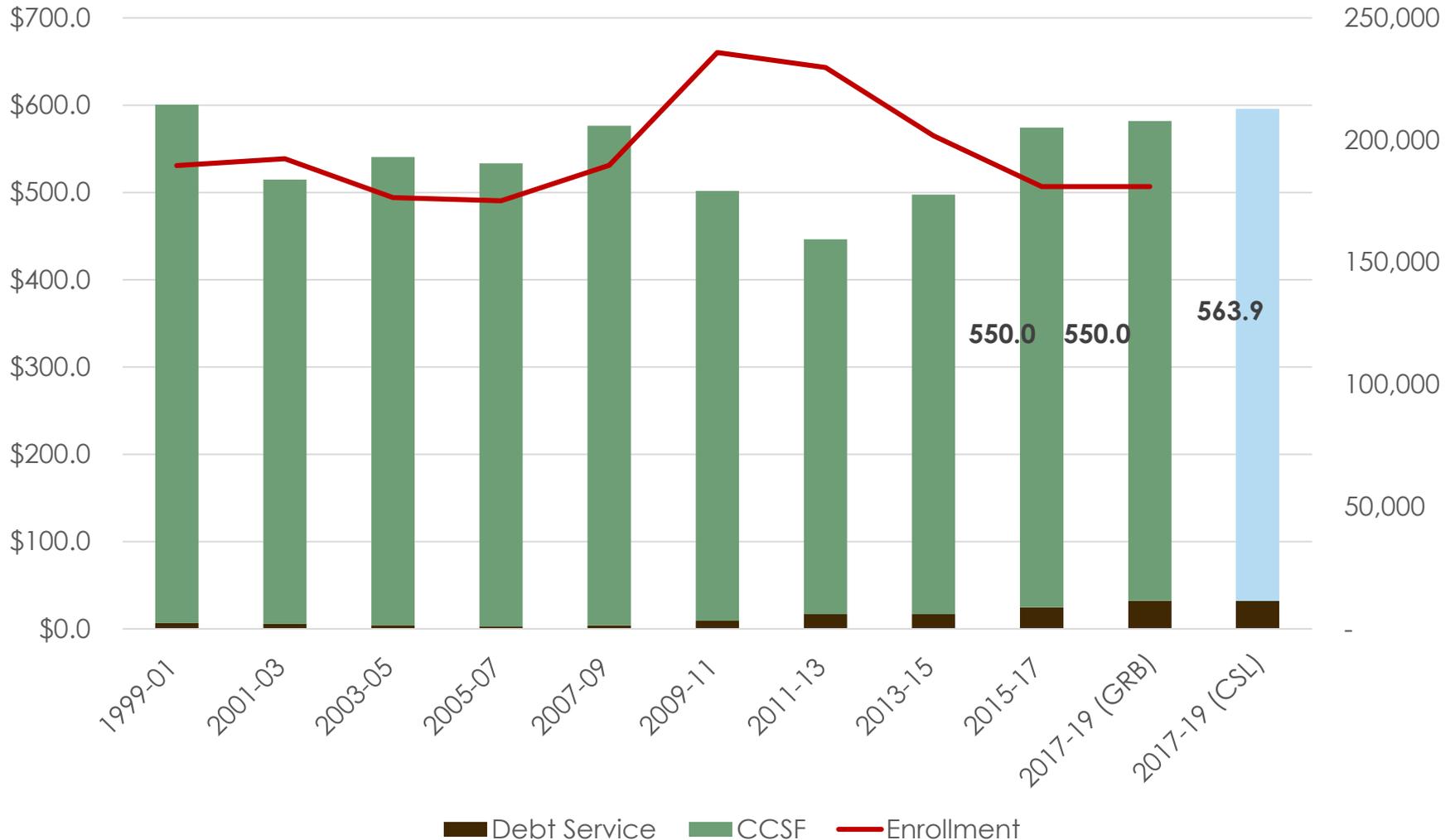


NOTES: Data adjusted for inflation using the Higher Education Cost Adjustment (HECA). Full-time equivalent (FTE) enrollment equates student credit hours to full-time, academic year students, but excludes medical students. Educational appropriations are a measure of state and local support available for public higher education operating expenses including ARRA funds, and exclude appropriations for independent institutions, financial aid for students attending independent institutions, research, hospitals, and medical education. Net tuition revenue is calculated by taking the gross amount of tuition and fees, less state and institutional financial aid, tuition waivers or discounts,

Source: 2015 State Higher Education Finance Report, SHEEO, <http://www.sheeo.org>

COMMUNITY COLLEGE STATE FUNDING AND ENROLLMENT OVER TIME

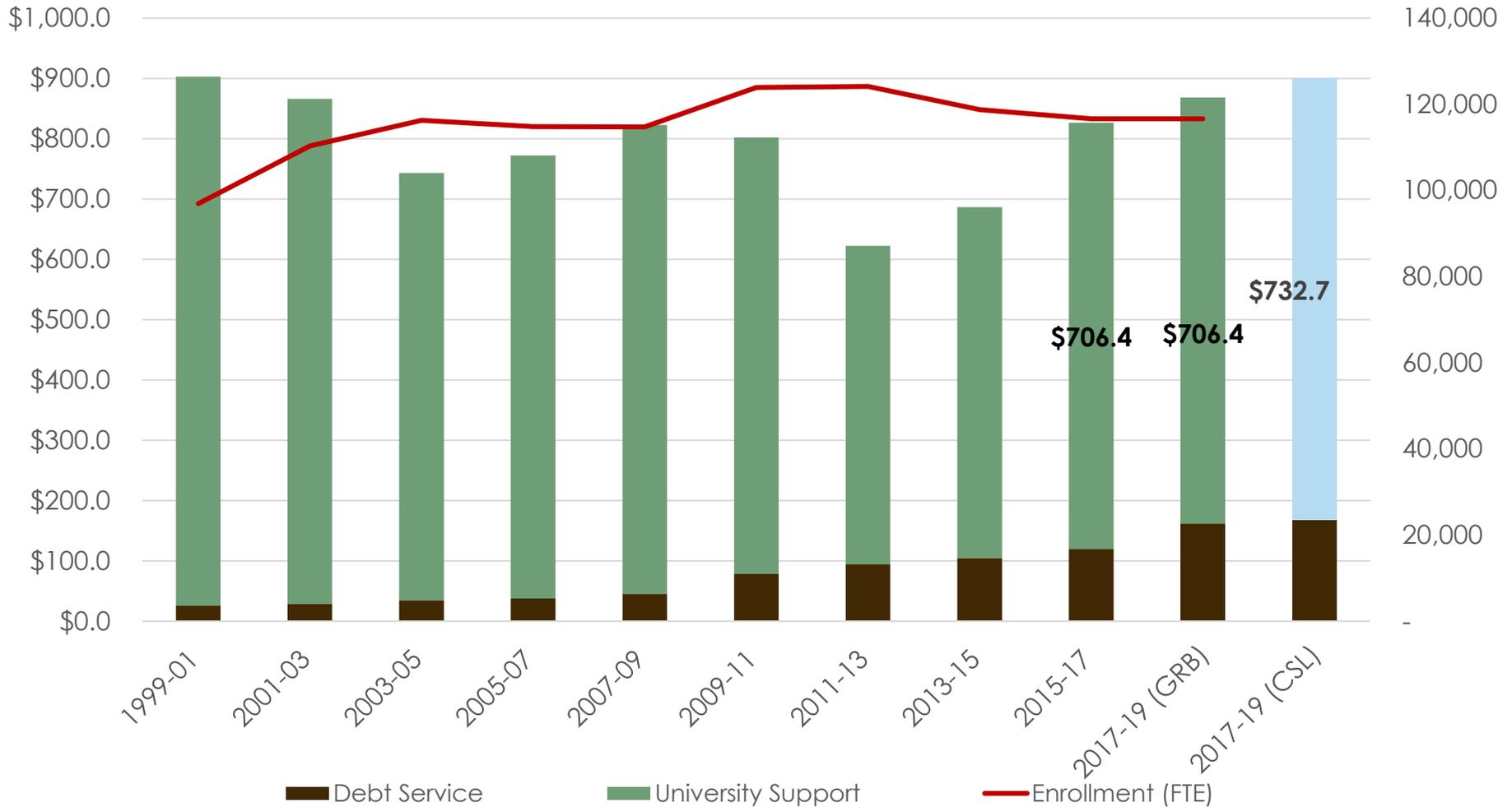
STATE APPROPRIATIONS (IN MILLIONS) AND ENROLLMENT



Source: HECC analysis of state appropriation and student-level data.

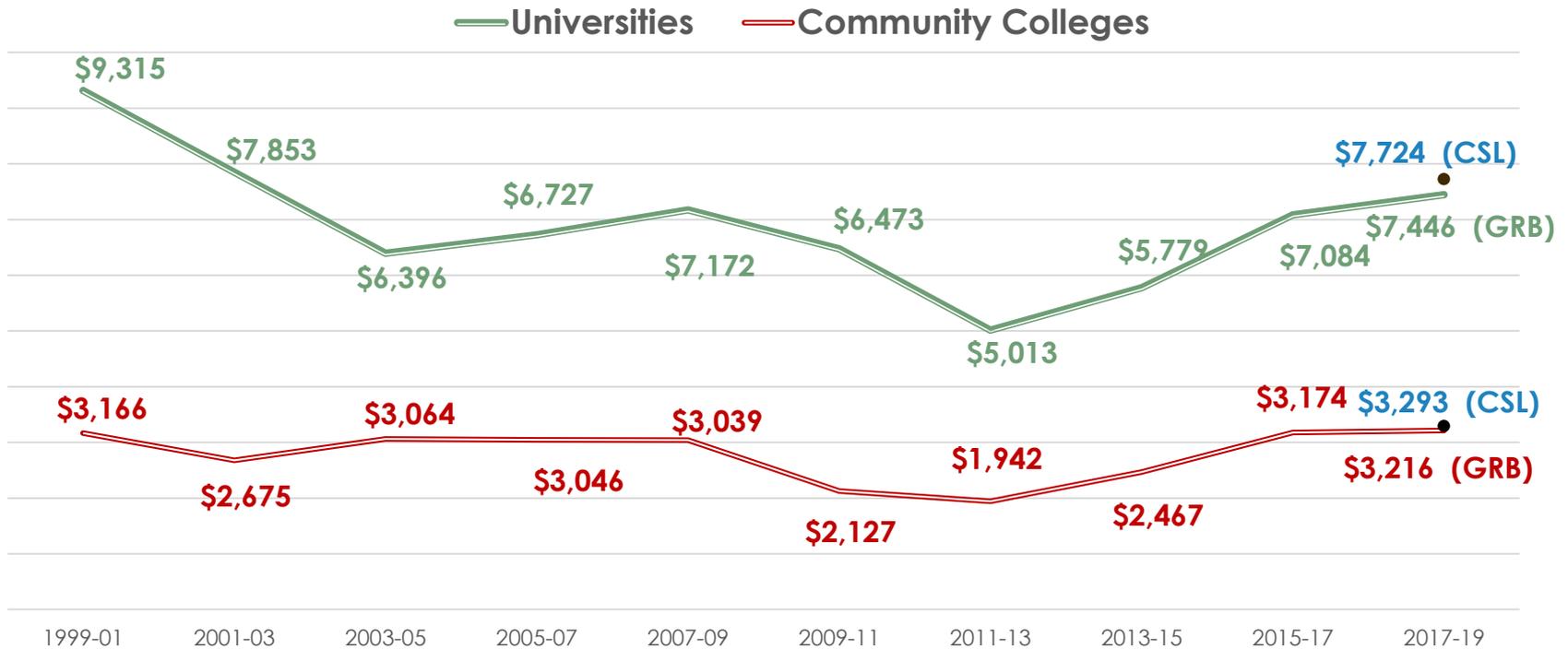
PUBLIC UNIVERSITY STATE FUNDING AND ENROLLMENT OVER TIME

STATE APPROPRIATIONS (IN MILLIONS) AND RESIDENT ENROLLMENT



NOTE: Statewide Public Services and Capital Outlays excluded
 Source: HECC analysis of state appropriation and student-level data.

STATE APPROPRIATIONS TO PUBLIC COMMUNITY COLLEGES AND UNIVERSITIES PER STUDENT (FTE) ADJUSTED FOR INFLATION



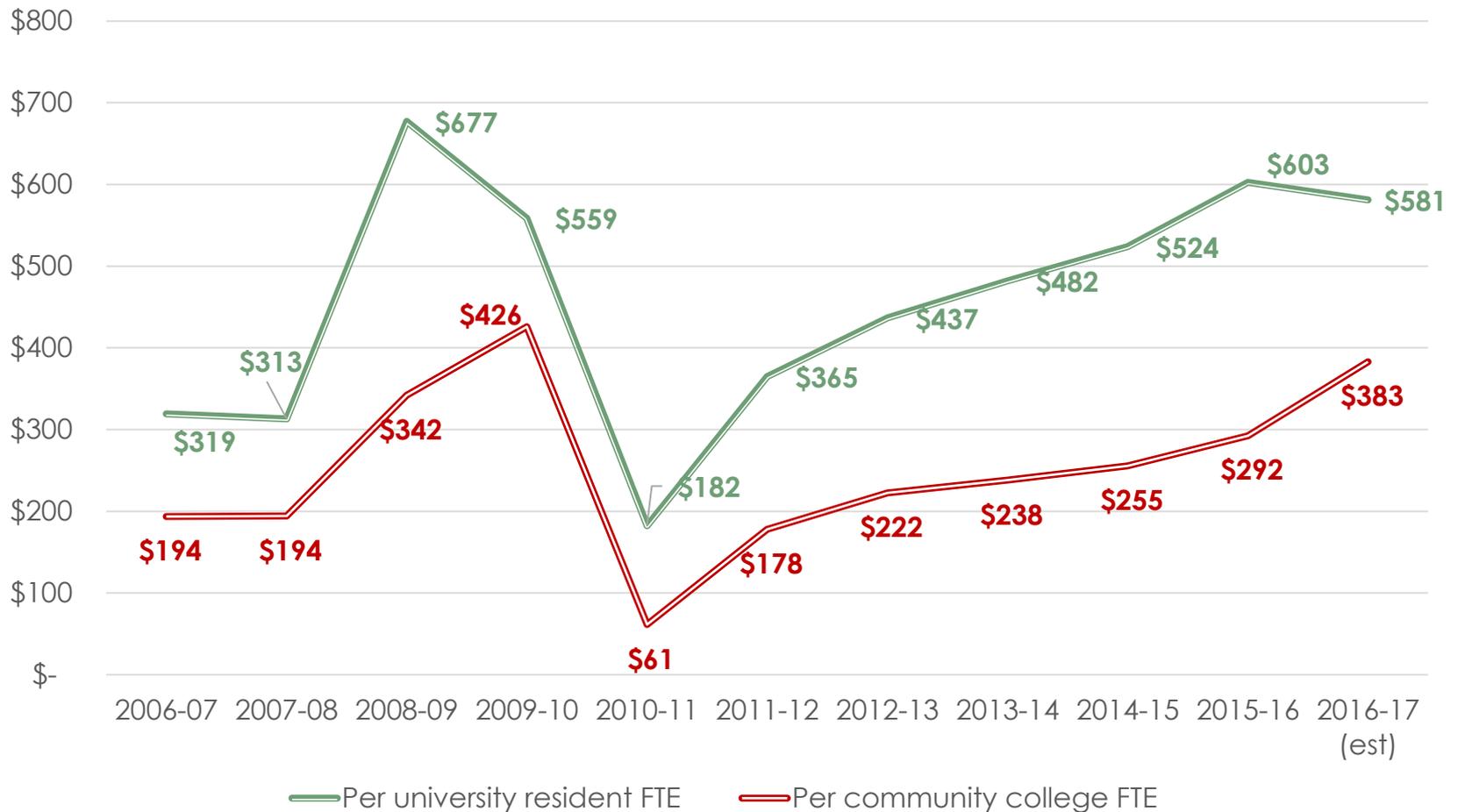
Notes:

- Includes Debt Service
- University data includes PUSF and State Programs
- Community College data includes only CCSF distributed by funding formula
- Enrollment for 2017, 2018, 2019 assumed at 2016 levels
- Inflation adjustment based on Portland CPI-U
- Excludes non-resident university enrollment

Source: HECC analysis of state appropriation and student-level data.

STATE APPROPRIATIONS TO OREGON OPPORTUNITY GRANT PER STUDENT (FTE), ADJUSTED FOR INFLATION

2017-19 GRB Request \$151.1M
2017-19 CSL \$146.1M



Notes: Inflation adjustment based on Portland CPI-U. Excludes non-resident university enrollment and non-reimbursable community college enrollment. Estimate for 2016-17 based on fall 2016 disbursements, fall 2016 university resident FTE, and 2015-16 community college reimbursable FTE.

Source: HECC analysis of state appropriation and student-level data.

NATIONAL COMPARISON IN STATE FUNDING: OREGON RANK IMPROVING

In the most recent (FY 2015) national report, Oregon ranked **45th** in public educational appropriation per student. Between 2008-2015, Oregon public funding per student dropped more than in all but 19 other states.

The 2015 Legislative session produced significant increases to Oregon higher education funding. In preliminary results of the FY 2016 report, Oregon now ranks **37th** in public educational appropriations per student FTE.

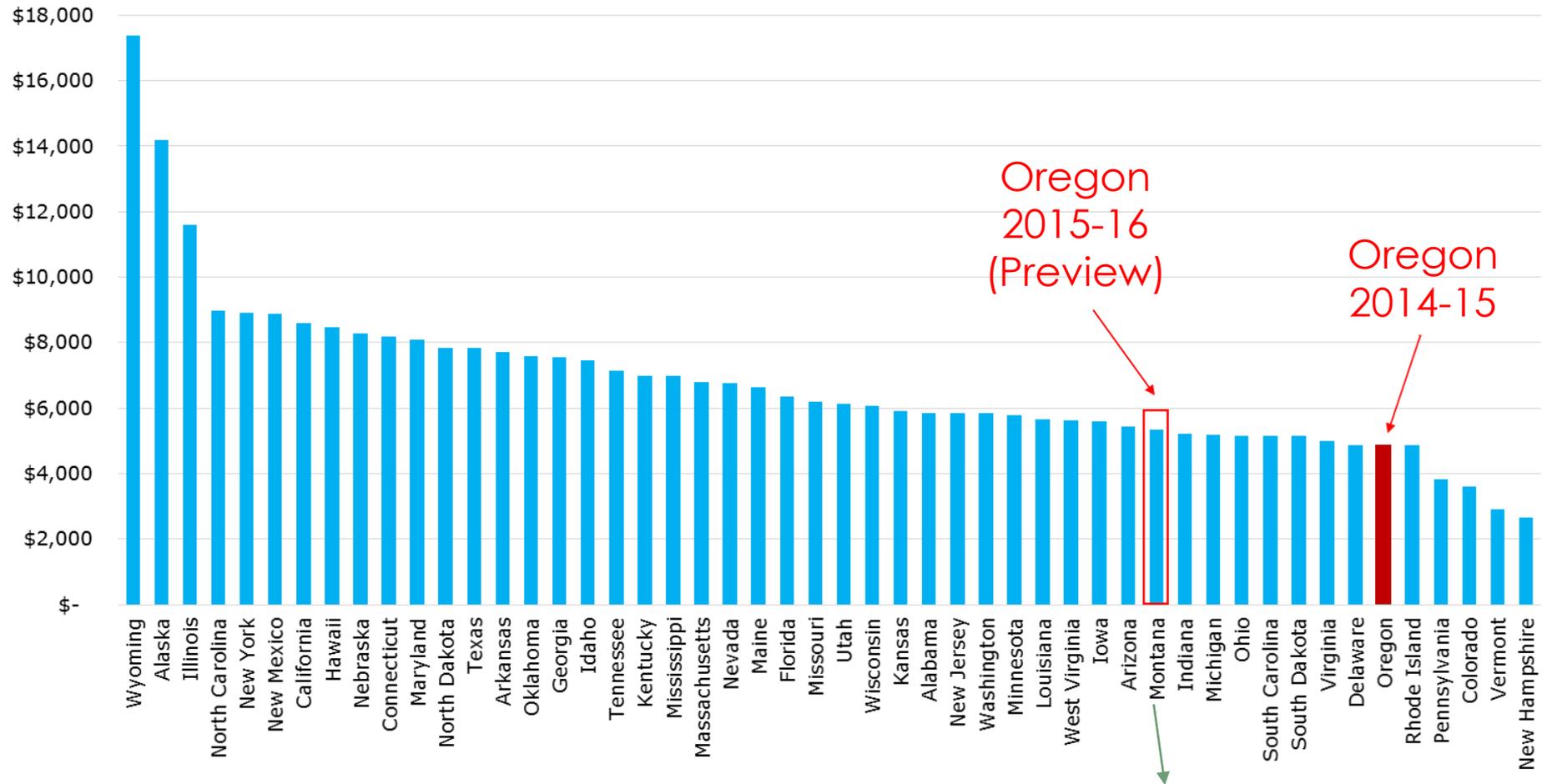
Preliminary National Data Fiscal Year 2016

	Full-Time Equivalent (FTE) Enrollment	Educational Appropriations per FTE	Net Tuition Revenue per FTE	Total Educational Revenue per FTE
Oregon Rank	27	37	21	30

Source: State Higher Education Executive Officers Preliminary Data (subject to change). Rank 1 is largest/highest and does not include Washington, D.C or Puerto Rico. Adjusted for state to state comparisons using the Cost of Living Index (COLI) and Enrollment Mix index (EMI).

THE 2015-17 REINVESTMENT HAS IMPROVED OREGON'S STANDING IN FUNDING PER STUDENT

2015 Educational Appropriations per Student

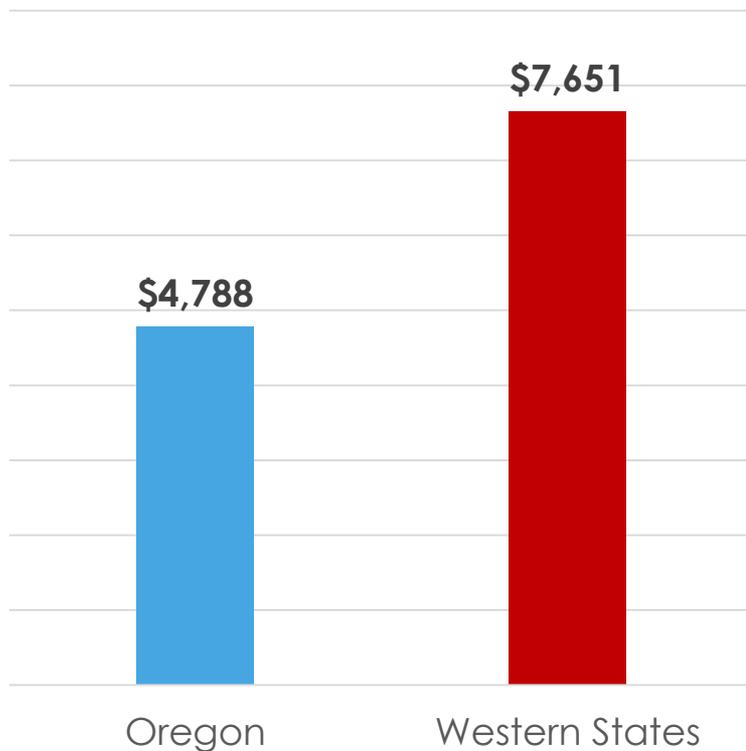


Source: 2015 State Higher Education Finance, State Higher Education Executive Officers (SHEEO.)

AMONG WESTERN STATES, OREGON IS A LOW CAMPUS FUNDING, LOW FINANCIAL AID, HIGH TUITION STATE (FY 2015)

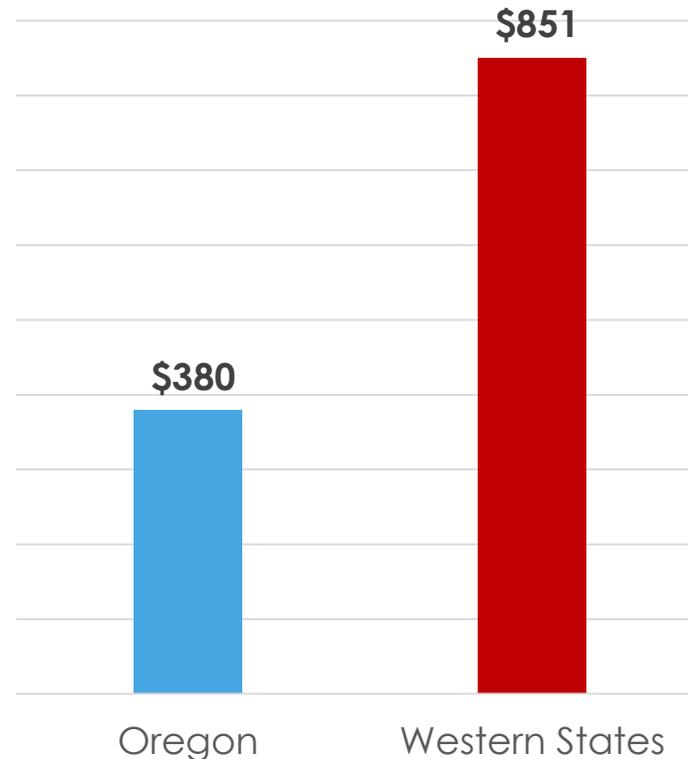
Low Institutional Funding

Total State and Local Appropriations to Higher Education per FTE, FY 2015



Low Financial Aid

Need-Based Grant Aid Awarded by State Grant Programs per FTE Undergraduates in 2014-15



Western States:

- Alaska
- Arizona
- California
- Colorado
- Hawai'i
- Idaho
- Montana
- Nevada
- New Mexico
- North Dakota
- Washington
- Wyoming

US Pacific Territories & Associated States

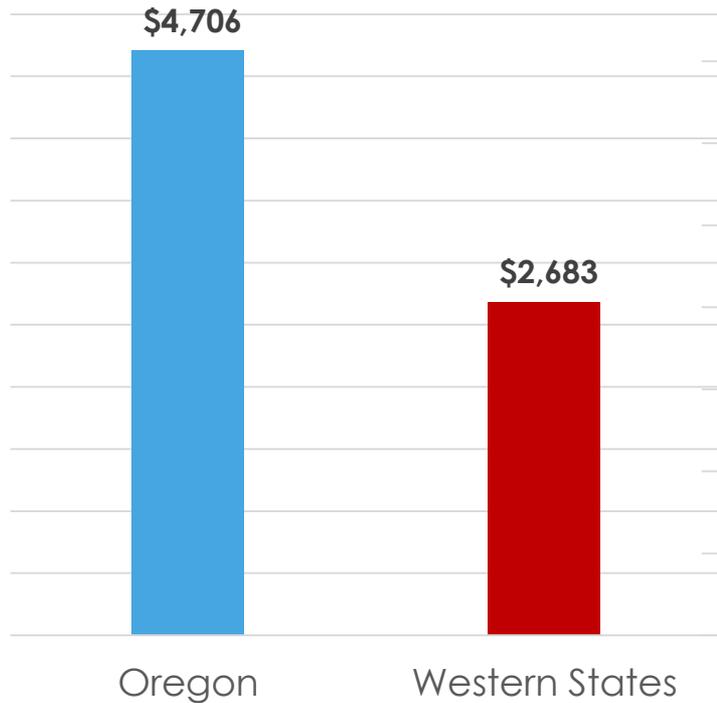
NOTE: FTE data are for Title IV-participating, degree-granting, public and independent two- and four-year institutions only and are calculated full-time undergraduate enrollment plus 1/3 part-time undergraduate enrollment.

Sources: Western Interstate Commission for Higher Education (WICHE) State Data. Appropriations: State Higher Education Executive Officers, State Higher Education Finance Survey FY 2015. Aid: National Association of State Student Grant and Aid Programs. National Center for Education Statistics (NCES), IPEDS Fall Enrollment Survey. WICHE calculations.

AMONG WESTERN STATES, OREGON IS A LOW CAMPUS FUNDING, LOW FINANCIAL AID, HIGH TUITION STATE (2016-17)

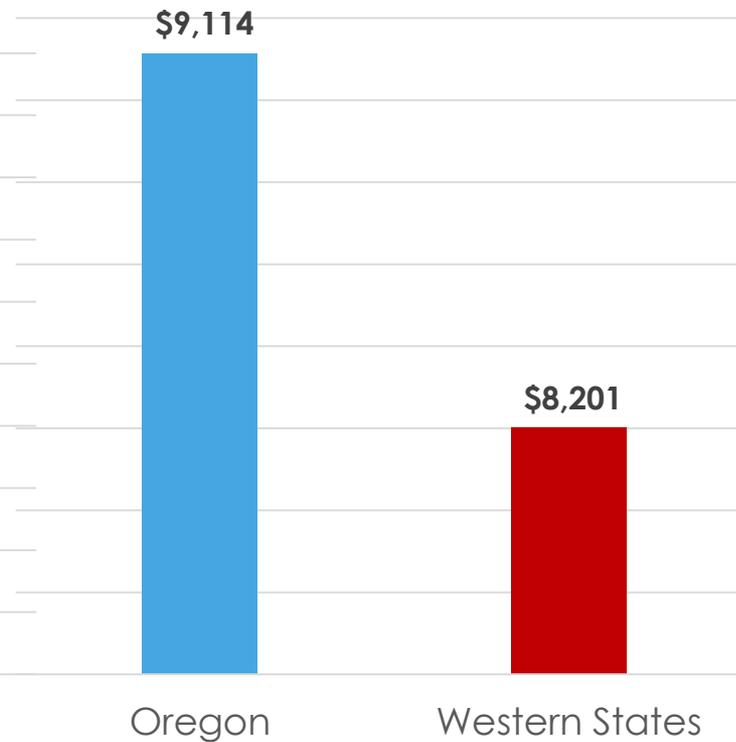
High 2-year Tuition

Average Resident Undergraduate Tuition and Fees at Public Two-Year Institutions, 2016-17



High 4-year Tuition

Average Resident Undergraduate Tuition and Fees at Public Four-Year Institutions 2016-17



Western States:

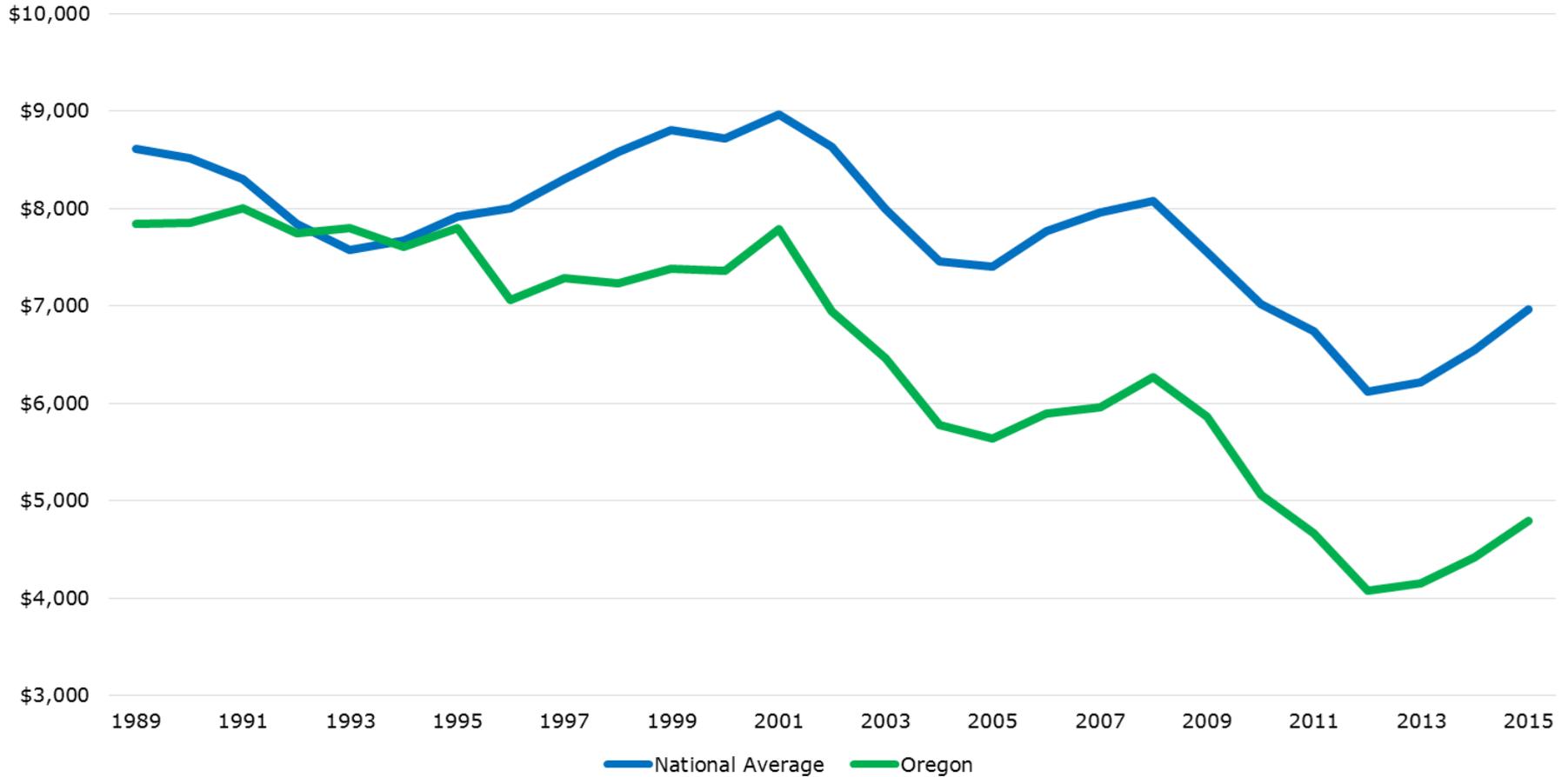
- Alaska
- Arizona
- California
- Colorado
- Hawai'i
- Idaho
- Montana
- Nevada
- New Mexico
- North Dakota
- Washington
- Wyoming

US Pacific Territories & Associated States

Source: Western Interstate Commission for Higher Education (WICHE) State Data, Tuition and Fees in Public Higher Education in the West.

OREGON HIGHER ED APPROPRIATIONS PER FTE, DIFFERENCES FROM U.S. AVERAGE (FY 2015)

State Appropriations per Student (1989-2015)



Source: 2015 State Higher Education Finance, State Higher Education Executive Officers (SHEEO.)

OREGON'S NATIONAL POSITION IN FUNDING STUDENT AID: ROOM TO GROW (2014-15)

2014-15	U.S. average	Oregon amount	Oregon rank
Need-based grant dollars per capita population	\$32	\$14	33
Need-based grant dollars per 18-24 year old in state	\$333	\$159	33
Percent of dollars awarded to public colleges and universities	72.2%	91.9%	9

Oregon ranks in bottom third nationally for need-based grant dollars per Oregonian

The great majority of need-based grant dollars go to students at public institutions, furthering state investments in public colleges and universities to foster equity and student success.

Source: National Association of State Student Aid and Grant Programs. 2016. *46th Annual Survey Report on State-Sponsored Student Financial Aid: 2014-15 Academic Year*. http://www.nassgap.org/survey/NASSGAP_Report_14-15_final.pdf



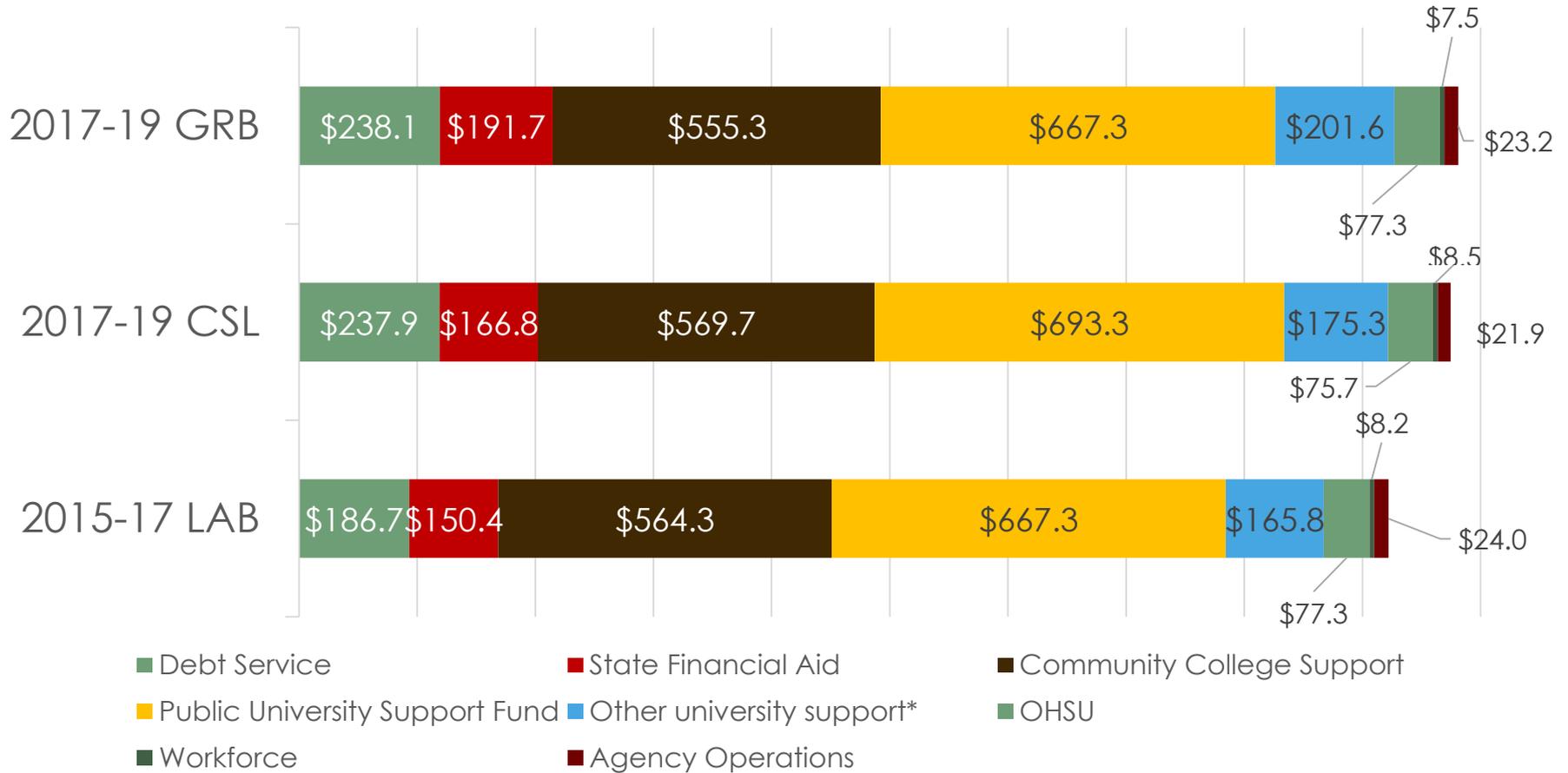
Oregon Tech



KEY
COMPONENTS
OF HIGHER
EDUCATION
BUDGET

WHAT IS THE STATE INVESTMENT?

State Investment in Postsecondary Education
(GF/LF only, in millions)



* Includes Agriculture Experiment Station, Extension Service, Forest Research Laboratory, Other State Programs, and Sports Action Lottery. 2017-19 GRB includes \$44 million LF to implement Measure 99 (Outdoor School Program).

GOVERNOR'S RECOMMENDED BUDGET (GRB): STATE SUPPORT FOR PUBLIC COMMUNITY COLLEGES

Activity	Description	2015-17 LAB	2017-19 CSL	2017-19 GRB
Preserve Community College Support Fund (CCSF)	Preserves critical investments made last biennium to public community colleges to support educational and operational expenses	\$550.0M GF	\$563.9M GF	\$550.0M GF
Change from 2015-17				0% from LAB -2.5% from CSL
Invests in targeted programs for student success	Invests in skills center, grants to serve underserved students, and Oregon Promise student success supports	\$14.3M GF	\$5.8M GF	\$5.3M GF
Change from 2015-17				-63.4% from LAB -9.4% from CSL
Support Debt Service on Previous Community College Capital Projects	Supports debt service on previously approved capital infrastructure projects for the community colleges	\$35.1M (\$24.6M GF, \$10.5M LF)	\$43.8M (\$32.1M GF, \$11.7M LF)	\$43.8M (\$32.1M GF, \$11.7M LF)
Change from 2015-17				+19.9%

NOTE: This slide contains General Fund (GF) and Lottery Fund (LF) dollars, not Other Funds. LAB: Legislatively Adopted Budget, GRB: Governor's Recommended Budget, CSL: Current Service Level, M: Millions.

GOVERNOR'S RECOMMENDED BUDGET (GRB): STATE SUPPORT FOR PUBLIC UNIVERSITIES

Activity	Description	2015-17 LAB	2017-19 CSL	2017-19 GRB
Preserve Public University Support Fund	Preserves critical investments made last biennium to public universities to support educational and operational expenses	\$667.3M	\$693.1M GF	\$667.3M GF
Change from 2015-17				0% from LAB -3.75% from CSL*
Support Debt Service on Previous University Capital Projects	Supports debt service on previously approved capital projects for the universities	\$151.6M (\$119.7M GF, \$31.9M LF)	\$193.6M (\$161.7M GF, \$31.9M LF)	\$193.8M (\$161.9M GF, \$31.9M LF)
Change from 2015-17				+21.8% from LAB +0.1% from CSL

*The GRB includes approval of the policy decision to implement but does not fund a new Current Service Level valuation method for the Oregon public universities. This method (directed by SB 5701 in 2016) is based partially on the Community College Support Fund (CCSF) methodology.

NOTE: This slide contains General Fund (GF) and Lottery Fund (LF) dollars, not Other Funds. LAB: Legislatively Adopted Budget, GRB: Governor's Recommended Budget, CSL: Current Service Level, M: Millions. Slide corrected 3.29.17.

GOVERNOR'S RECOMMENDED BUDGET (GRB): OREGON'S LARGEST STATE-ADMINISTERED FINANCIAL AID PROGRAMS

Activity	Description	2015-17 LAB	2017-19 CSL	2017-19 GRB
Expand Oregon Opportunity Grant (OOG)	Expands funding for the Oregon Opportunity Grant, Oregon's primary need-based financial aid program serving the lowest-income Oregonians.	\$140.9M	\$146.1M (\$125.2M GF \$20.7M LF)	\$151.1M (\$132.4M GF \$18.5M LF)
Change from 2015-17				+8.1% from LAB +3.4% from CSL
Continue Oregon Promise Grant	Continues funding for Oregon Promise grant program, serving recent high school graduates and GED recipients of all income levels.	\$9.5M GF (funds first year of one student cohort only)	\$19.8M GF	\$39.7M GF (continues to fund first student cohort and funds upcoming eligible student cohorts for full biennium)
Change from 2015-17				Not applicable

NOTE: This slide contains General Fund (GF) and Lottery Fund (LF) dollars, not Other Funds. LAB: Legislatively Adopted Budget, GRB: Governor's Recommended Budget, CSL: Current Service Level, M: Millions.