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
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Start dates for presentation topics are tentative
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
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**

<table>
<thead>
<tr>
<th>Year</th>
<th>Events</th>
</tr>
</thead>
</table>
| 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 and 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

17 Community College Locally Elected Governing Boards

7 Oregon Public University Institutional Governing Boards (Governor-appointed, Senate-confirmed)

OHSU Board of Directors

HECC Commission

- Research & Data; Executive Director, Policy, and Communications; Operations
- Office of Student Access and Completion (OSAC)
- Community Colleges and Workforce Development (CCWD)
- Public University Coordination
- Private Postsecondary Education
- Workforce Investments

HECC Agency

- BMCC
- COCC
- Chemeketa CC
- Clackamas CC
- Clatsop CC
- CGCC
- KCC
- LCC
- LBCC
- MHCC
- OCCC
- PCC
- RCC
- SWOCC
- TBCC
- TVCC
- UCC

Oregon Governor

- Chief Education Office
- State Board of Education
- Oregon Department of Education
- Teacher Standards and Practices Commission
- TSPC Agency

Oregon Legislature

- Employment Department
- Oregon Workforce Investment Board
- Oregon Youth Conservation Corps Advisory Committee

State Board of Education

Oregon Department of Education

Teacher Standards and Practices Commission

TSPC Agency

Employment Department

Oregon Workforce Investment Board

Oregon Youth Conservation Corps Advisory Committee

Chief Education Office

State Board of Education

Oregon Department of Education

Teacher Standards and Practices Commission

TSPC Agency

Employment Department

Oregon Workforce Investment Board

Oregon Youth Conservation Corps Advisory Committee

State Education Partners

Public Board/Commission/Committee

State Agency
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
- Administration and allocation of state financial aid programs
- Pre-college programs, PK-20 academic coordination and pathways, private postsecondary licensure and oversight, workforce programs
- Policy coordination, budget development and funding allocation, academic program approval, CTE, GED, and ABS administration, leadership convening
- Policy coordination, budget development and funding allocation, academic program approval, institutional evaluations and mission approval, leadership convening
- Budget development and prioritization, funding allocation
- Coordination
- All activities of the agency

- Introduction to Higher Education, Progress toward State Goals, Quick Funding History
- Affordability Challenge: Key Factors, Financial Aid + Intro to Student Pathways
- Student Pathways and Transitions: Precollege, Inter-college, Private Postsecondary, Workforce
- State Support for Community Colleges
- State Support for Public Universities
- Capital Construction, Other Missions of Universities
- OHSU Budget
- An Integrated Postsecondary Agency: HECC Operations, Conclusion
INTRODUCTION TO 2017-2019 POSTSECONDARY 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)

- K-12 Education: 48.4%
- Postsecondary Education: 40.4%
- Other Education: 9.7%
- Other State: 1.4%

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)

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### 2017-19 GRB
- **Debt Service**: $238.1 million
- **State Financial Aid**: $191.7 million
- **Public University Support Fund**: $555.3 million
- **Other University Support**: $667.3 million
- **Community College Support**: $201.6 million
- **Workforce**: $23.2 million
- **OHSU**: $7.5 million
- **Agency Operations**: $77.3 million

### 2017-19 CSL
- **Debt Service**: $237.9 million
- **State Financial Aid**: $166.8 million
- **Public University Support Fund**: $569.7 million
- **Other University Support**: $693.3 million
- **Community College Support**: $175.3 million
- **Workforce**: $21.9 million
- **OHSU**: $8.5 million
- **Agency Operations**: $75.7 million

### 2015-17 LAB
- **Debt Service**: $186.7 million
- **State Financial Aid**: $150.4 million
- **Public University Support Fund**: $564.3 million
- **Other University Support**: $667.3 million
- **Community College Support**: $165.8 million
- **Workforce**: $24.0 million
- **OHSU**: $77.3 million
- **Agency Operations**: $8.2 million

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*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).*
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.
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
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

Oregon Coast CC
HIGHER EDUCATION: A PROVEN ROUTE TO UPWARD MOBILITY

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

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

Median annual earnings

- Advanced degree: $61,139
- Bachelor’s degree: $44,049
- Associate degree or some college, no degree: $31,625
- High school or equivalent: $26,567
- Less than high school: $21,904

Unemployment rate

- (3.6% for Bachelor’s degree or higher)
- 3.6%
- 5.9%
- 7.9%
- 9.0%

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

<table>
<thead>
<tr>
<th>Education Level</th>
<th>Tax Payment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Professional Degree (2%)</td>
<td>$28,900</td>
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<tr>
<td>Doctoral Degree (2%)</td>
<td>$25,600</td>
</tr>
<tr>
<td>Master's Degree (11%)</td>
<td>$18,400</td>
</tr>
<tr>
<td>Bachelor's Degree (25%)</td>
<td>$14,500</td>
</tr>
<tr>
<td>Associate Degree (11%)</td>
<td>$10,100</td>
</tr>
<tr>
<td>Some College, No Degree (16%)</td>
<td>$8,900</td>
</tr>
<tr>
<td>High School Diploma (26%)</td>
<td>$7,600</td>
</tr>
<tr>
<td>Less than High School Diploma (7%)</td>
<td>$5,200</td>
</tr>
</tbody>
</table>

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

SOURCE: Georgetown Center on Education and the Workforce, America’s Divided Recovery, College Haves and Have-Not, 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

Median earnings for all employed Oregonians

Poverty line, family of 4

Larger bubbles indicate more job growth

Bachelor’s or higher
Associate degree or certificate
High school or equivalent

Note: Wages for Physicians and Surgeons is capped at $150,000 for slide formatting.
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
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)
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](http://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

- Bachelor's or advanced degree: 33% (2015), 40% (Goal 2025)
- Associate degree or undergraduate certificate: 17% (2015), 40% (Goal 2025)
- Some college, no degree: 18% (2015), 40% (Goal 2025)
- High school diploma or alternative credential: 22% (2015), 20% (Goal 2025)
- Less than HS: 10% (2015), 20% (Goal 2025)

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

- **9%** Less than high school
- **35%** High school or equivalency
- **28%** Some college, no degree (estimate)
- **6%** Associate degree or certificate (estimate)
- **22%** Bachelor's or advanced degree

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

41,655 sophomores
76% graduate high school
63% enroll in postsecondary education
28% receive post-secondary credentials by age 25

28% enroll in 4-yr programs
22% 4-yr degree
5% 2-yr degree
1% certificate
48% HS diploma

35% enroll in 2-yr programs
14–17% complete a GED

20% H.S. diploma holders who do not go further
7–10% obtain no credential

24% do not hold an Oregon public high school diploma

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.
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

<table>
<thead>
<tr>
<th>Percent of adults age 25-64</th>
<th>Bachelor's or advanced degree</th>
<th>Associate degree or undergraduate certificate</th>
<th>Some college, no degree</th>
<th>High school diploma or alternative credential</th>
<th>Less than high school</th>
</tr>
</thead>
<tbody>
<tr>
<td>American Indian / Alaska Native</td>
<td>14%</td>
<td>18%</td>
<td>22%</td>
<td>30%</td>
<td>15%</td>
</tr>
<tr>
<td>Asian American</td>
<td>49%</td>
<td>29%</td>
<td>17%</td>
<td>16%</td>
<td>5%</td>
</tr>
<tr>
<td>Black or African American</td>
<td>14%</td>
<td>17%</td>
<td>23%</td>
<td>21%</td>
<td>16%</td>
</tr>
<tr>
<td>Hispanic or Latino/-a</td>
<td>15%</td>
<td>10%</td>
<td>40%</td>
<td>21%</td>
<td>7%</td>
</tr>
<tr>
<td>Native Hawaiian / Pacific Islander</td>
<td>16%</td>
<td>18%</td>
<td>15%</td>
<td>24%</td>
<td>19%</td>
</tr>
<tr>
<td>White, Non-Hispanic</td>
<td>34%</td>
<td>17%</td>
<td>19%</td>
<td>24%</td>
<td>7%</td>
</tr>
</tbody>
</table>

Source: American Community Survey data, 1-year estimates of population age 25 and older.
INTRODUCTION TO OREGON HIGHER EDUCATION STUDENTS AND STRUCTURE

PRESENTED BY:
BEN CANNON, EXECUTIVE DIRECTOR, HECC

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

**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

**Financial Aid**
- 82% Received aid
- 18% Did not receive aid

**Learning Environment**
- 74% Classroom only
- 16% Classroom + online
- 10% Online only

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


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

47
Degree Granting Private Postsecondary Schools
14,403

17
Public Community Colleges
21,647

173
Private Career Schools
7,021

17
Public Universities
23,375

67,587
Total Degrees/Certificates Earned by Private Career Schools

22,924
Total Degrees/Certificates Earned by Public Community Colleges

7
Public Universities
23,375

1141
OHSU

1141
OHSU

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)

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.
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.

| 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 |

The full 2016 Key Performance Metrics report for the HECC is available at https://www.oregon.gov/highered/research/Pages/performance.aspx
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.


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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.
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.
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

<table>
<thead>
<tr>
<th></th>
<th>Oregon Rank</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Full-Time Equivalent (FTE)</strong></td>
<td>27</td>
<td></td>
</tr>
<tr>
<td><strong>Educational Appropriations per FTE</strong></td>
<td>37</td>
<td></td>
</tr>
<tr>
<td><strong>Net Tuition Revenue per FTE</strong></td>
<td>21</td>
<td></td>
</tr>
<tr>
<td><strong>Total Educational Revenue per FTE</strong></td>
<td>30</td>
<td></td>
</tr>
</tbody>
</table>

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

- Oregon: $4,788
- Western States: $7,651

Low Financial Aid

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

- Oregon: $380
- Western States: $851

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.

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

**High 2-year Tuition**

<table>
<thead>
<tr>
<th>High 2-year Tuition</th>
<th>Average Resident Undergraduate Tuition and Fees at Public Two-Year Institutions, 2016-17</th>
</tr>
</thead>
<tbody>
<tr>
<td>Oregon</td>
<td>$4,706</td>
</tr>
<tr>
<td>Western States</td>
<td>$2,683</td>
</tr>
</tbody>
</table>

**High 4-year Tuition**

<table>
<thead>
<tr>
<th>High 4-year Tuition</th>
<th>Average Resident Undergraduate Tuition and Fees at Public Four-Year Institutions 2016-17</th>
</tr>
</thead>
<tbody>
<tr>
<td>Oregon</td>
<td>$9,114</td>
</tr>
<tr>
<td>Western States</td>
<td>$8,201</td>
</tr>
</tbody>
</table>

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)

- National Average
- Oregon

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)

<table>
<thead>
<tr>
<th></th>
<th>U.S. average</th>
<th>Oregon amount</th>
<th>Oregon rank</th>
</tr>
</thead>
<tbody>
<tr>
<td>Need-based grant dollars per capita population</td>
<td>$32</td>
<td>$14</td>
<td>33</td>
</tr>
<tr>
<td>Need-based grant dollars per 18-24 year old in state</td>
<td>$333</td>
<td>$159</td>
<td>33</td>
</tr>
<tr>
<td>Percent of dollars awarded to public colleges and universities</td>
<td>72.2%</td>
<td>91.9%</td>
<td>9</td>
</tr>
</tbody>
</table>

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.

KEY COMPONENTS OF HIGHER EDUCATION BUDGET
WHAT IS THE STATE INVESTMENT?

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

2017-19 GRB
- Debt Service: $238.1
- State Financial Aid: $191.7
- Public University Support Fund: $555.3
- Community College Support: $667.3
- Other university support*: $201.6
- OHSU: $23.2
- Agency Operations: $7.5

2017-19 CSL
- Debt Service: $237.9
- State Financial Aid: $166.8
- Public University Support Fund: $569.7
- Community College Support: $693.3
- Other university support*: $175.3
- OHSU: $21.9
- Agency Operations: $8.5

2015-17 LAB
- Debt Service: $186.7
- State Financial Aid: $150.4
- Public University Support Fund: $564.3
- Community College Support: $667.3
- Other university support*: $165.8
- OHSU: $24.0
- Agency Operations: $8.2

* 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

<table>
<thead>
<tr>
<th>Activity</th>
<th>Description</th>
<th>2015-17 LAB</th>
<th>2017-19 CSL</th>
<th>2017-19 GRB</th>
</tr>
</thead>
<tbody>
<tr>
<td>Preserve Community College Support Fund (CCSF)</td>
<td>Preserves critical investments made last biennium to public community colleges to support educational and operational expenses</td>
<td>$550.0M GF</td>
<td>$563.9M GF</td>
<td>$550.0M GF</td>
</tr>
</tbody>
</table>

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%

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**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

<table>
<thead>
<tr>
<th>Activity</th>
<th>Description</th>
<th>2015-17 LAB</th>
<th>2017-19 CSL</th>
<th>2017-19 GRB</th>
</tr>
</thead>
<tbody>
<tr>
<td>Preserve Public University Support Fund</td>
<td>Preserves critical investments made last biennium to public universities to support educational and operational expenses</td>
<td>$667.3M GF</td>
<td>$693.1M GF</td>
<td>$667.3M GF</td>
</tr>
<tr>
<td>Change from 2015-17</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Support Debt Service on Previous University Capital Projects</td>
<td>Supports debt service on previously approved capital projects for the universities</td>
<td>$151.6M ($119.7M GF, $31.9M LF)</td>
<td>$193.6M ($161.7M GF, $31.9M LF)</td>
<td>$193.8M ($161.9M GF, $31.9M LF)</td>
</tr>
<tr>
<td>Change from 2015-17</td>
<td></td>
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</tr>
</tbody>
</table>

*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

<table>
<thead>
<tr>
<th>Activity</th>
<th>Description</th>
<th>2015-17 LAB</th>
<th>2017-19 CSL</th>
<th>2017-19 GRB</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Expand Oregon Opportunity Grant (OOG)</strong></td>
<td>Expands funding for the Oregon Opportunity Grant, Oregon’s primary need-based financial aid program serving the lowest-income Oregonians.</td>
<td>$140.9M</td>
<td>$146.1M</td>
<td>$151.1M</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>($125.2M GF</td>
<td>($132.4M GF</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>$20.7M LF)</td>
<td>$18.5M LF)</td>
</tr>
</tbody>
</table>

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   | $19.8M GF       | $39.7M GF        |
|                                               |                                                                             |             | (funds first year of one student cohort only) | (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.