



Report to the Oregon Legislature: Preliminary Report on House Bill 4124 Revitalization Study

House Bill 4124 (2026), October 1, 2026



Report to the Oregon Legislature: Preliminary Report on House Bill 4124 Revitalization Study,
October 1, 2026. Developed by the Higher Education Coordinating Commission.
Learn more about the Higher Education Coordinating Commission at www.oregon.gov/highered.

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EXECUTIVE SUMMARY

The Higher Education Coordinating Commission (HECC) prepared this preliminary report pursuant to House Bill 4124 (2026), which directs a systemwide study and the development of actionable recommendations to expand equitable access, strengthen Oregon’s economy, and improve the financial viability of institutions and the postsecondary system overall. This document fulfills the October 1, 2026 milestone; a final report is due April 1, 2027.

Guided by a process design led by Oregon Consensus, the project responds to an inflection point for Oregon higher education, emphasizing urgency to stabilize today’s challenges while designing for a more adaptable, student-centered, and accountable system for tomorrow. A representative Advisory Group was convened to work alongside HECC, adopt operating protocols, and confirm guiding principles that center student success; recognize the public value of postsecondary outcomes; promote economic and cultural vitality; and honor Oregon’s diverse institutional landscape while learning from national models.

HECC selected EY-Parthenon as the independent technical advisor. Phase 1 (July–September 2026) established a quantitative and qualitative baseline across missions, demographics, finance, and workforce alignment; Phase 2 (October 2026–January 2027) will develop options; Phase 3 (January–March 2027) will translate those options into recommendations. Engagement mechanisms—regional panels, a Student Voices Group, faculty and staff focus groups, a legislative roundtable, and leadership tables—are designed to ensure broad inclusion and “no surprises” for stakeholders and decision makers.

At this stage, EY-Parthenon’s Phase 1 slide deck (attached) summarizes baseline findings; neither HECC nor EY-Parthenon advances recommendations in this preliminary report due to ongoing analysis and engagement. Upcoming Advisory Group meetings across Oregon will shift the work from baseline analysis to testing hypotheses, informing option development ahead of the final report.

BACKGROUND AND PROJECT DESIGN

House Bill 4124 (HB 4124) directed the Higher Education Coordinating Commission (HECC) to “...conduct a study of the condition of Oregon’s post-secondary education system and develop detailed recommendations for the design, implementation and operation of a viable and superior institutional framework that: (a) Supports access to post-secondary education institutions for students across geographic locations, including rural communities and other underserved populations; (b) Fuels regional and statewide economic development and employment opportunities; and (c) Improves the financial viability of each post-

secondary education institution in Oregon and the post-secondary education system as a whole, including by addressing projected enrollment, increased personnel costs, changes in federal law or priorities, sector-specific inflationary costs or other related factors...”

It goes on to say that

“in developing recommendations ... the commission shall engage the expertise of and consult public institutions of higher education, including faculty, staff, and students, and any other interested stakeholders identified by the commission.”

HB 4124 charges the HECC with submitting a preliminary report to the Legislature by October 1, 2026, and a final report by April 1, 2027. This document and its attachments represent the HECC’s preliminary report.

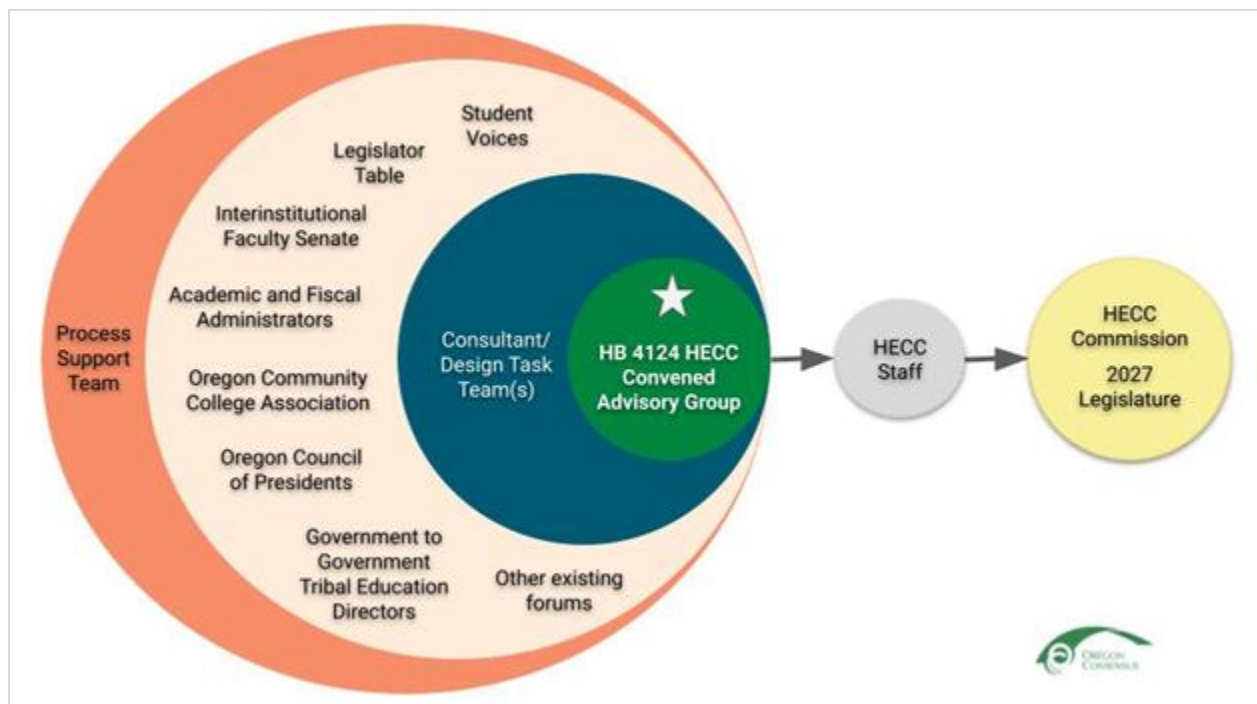


In spring of 2026, HECC enlisted Oregon Consensus¹ (OC) to conduct a scoping and process design assessment to inform the convening and organization of work to support the HECC and HB 4124 study. The key findings, which are described in more detail in the full Assessment Report, are as follows:

- This is a moment of inflection, and there is a need to reexamine the postsecondary education system in Oregon. There is a sense of urgency for stabilizing the system, as well as a timely opportunity to design for transformational change. This revitalization study should focus on a longer horizon with a holistic system view, while also addressing practical and urgent needs of today. Distinguishing and then connecting these two lines of inquiry will be important.
- Political will and collaborative leadership are necessary to effect meaningful change. The HECC Commission and Legislative leadership should clearly define the charge and their support for this effort.
- The Oregon context matters, and we are not alone. We can learn a lot from other places and states that are excelling or facing similar challenges.
- There are ideas, but also healthy skepticism, about how to create successful outcomes from this project. The broad scope, short timeline, and relational and structural tensions make the pathway to success challenging. For example, there is an inherent tension between the desire to protect existing institutions and the desire to transform the system to meet the needs of the future.

- Trust gaps exist – mostly between institutions and HECC. Many suggested this is an opportunity to correct course and build back trust. One way is to acknowledge and enable sharing from institutions about where Oregon’s system is doing well, thriving, and adapting.
- Broad inclusion in the conversation is needed. The concept of “no surprises” is an important principle for the work to succeed.
- Oregon Consensus sees a potential collaborative pathway forward.

Process Design



Informed by the scoping assessment, a process structure was designed with the intention to meet the goals established by the Legislature and within the timeframe allowed for the study effort - as well as respond to what OC heard in the interviews about how to ensure trust and integrity in the process overall. Thus, an Advisory Group, adjacent forums, and specific channels for engagement with the study consultant team were established.

THE HB 4124 ADVISORY GROUP

The intent of standing up a HB 4124 Advisory Group was to structure a reasonably sized working group in an advisory capacity to work alongside HECC to learn from and make sense of the study findings, generate and potentially co-create solution sets, and ultimately advise HECC on any recommendations that emerge from the study. Representative participation was sought across a spectrum of institutional, workforce, and community interests, as well as the 9 Federally Recognized Tribes. (Note the Tribes were invited but declined to participate in the Advisory Group process - other direct consultation channels are in place for the Tribes to advise HECC and the State in this work.)

Advisory Group Membership

Representation/Affiliation	Name, Organization, Role
4-year Public Universities in Oregon	Mary Moller, Coalition of Oregon Public Universities, Executive Director
Community Colleges	Abby Lee, Oregon Community College Association, Executive Director
Education Unions	Adrienne Mitchell, Oregon Education Association, Community College Faculty Member
Faculty	Ricardo Pelegrin Taboada, Interinstitutional Faculty Senate, University Faculty Member
Staff	Matt Swanson, Service Employees International Union (SEIU), Strategist
Philanthropy	Denise Callahan, The Ford Family Foundation, Director of Post-Secondary Success
Workforce Development and Economic Interests	Duncan Wyse, Oregon Business Council, President Emeritus
Higher Education Coordinating Commission (HECC)	Greg Hamann, HECC Commission Chair
K-12 Education	George Mendoza, La Grande School District, Superintendent
Underrepresented Communities	Aryn Frazier, Center for Black Excellence, Executive Director
9 Federally Recognized Tribes	Invited

During the early phase of this project, the Advisory Group agreed to a social contract, documented as **Operating Protocols**. Essentially, the Advisory Group agreed that they would commit their time for the duration of the study project, keeping their constituents informed of efforts and voicing those interests along the way, while also working collaboratively to learn and evolve ideas with the *collective public interest* in mind. While consensus is not a requirement, building agreements over time can strengthen the recommendations and confidence in future decision makers such as the

HECC Commission and Legislature. Oregon Consensus was retained to support process integrity and collaborative, agreement-seeking engagement of the Advisory Group and HECC.

The Advisory Group developed and confirmed a set of **Guiding Principles**, which they agreed should guide their thinking and the ultimate set of recommendations that emerge. These are considered ‘north stars’ for systems change:

- *We will center student success. Recognizing all forms of diversity of students and their distinct needs; ensuring access to multiple pathways; holding north stars of educational quality, affordability, and connecting to careers.*
- *Postsecondary education has public value, and successful student outcomes are a public benefit.*
- *We will design for a postsecondary system that reflects interdependencies with economic and cultural vitality. We will look for solutions that are comprehensive and seek long-term economic and cultural vitality for Oregon and its communities.*
- *The system should be highly adaptable and designed for tomorrow, not for today.*
- *The system should be designed to include clear authorities and accountability for quality and public benefits.*
- *We will apply human-centered design principles.*
- *We will care for and support the diverse and valuable contributions of existing institutions.*
- *We recognize that “one size does not fit all.” Solutions need to account for Oregon’s unique context and diverse array of institutional offerings across the postsecondary education system.*
- *We will learn from others and be informed by usable, timely, relevant, and accurate information. We will be informed by a broad, national perspective on the challenges and models in higher education while explicitly designing for Oregon’s context.*

Advisory Group Meetings

- **June 10** (remote): Introduced process organization and road map, heard leader intent from key legislators and HECC Chair, reviewed Advisory Group Working Agreements and Guiding Principles
- **July 14** (Salem): Confirmed Guiding Principles, EY-Parthenon team introductions, EY-Parthenon study approach presentation and discussion, OC established regional meeting and engagement purpose and structure
- **August 17** (Eastern Oregon University, La Grande): EY-Parthenon baseline analysis presentation and discussion with Advisory Group: substantive technical analysis from multiple data sources (quantitative data, qualitative data from EY-Parthenon engagement with institutional presidents) presented and evaluated, with input for the Advisory Group on how to contextualize the patterns related to key challenges commonly cited by system leaders; the role and value of the postsecondary system; and higher education’s ties to the state’s economy.
- **September 2** (Salem): EY-Parthenon reviewed trends from baseline analysis highlighted in August, with added analysis and deeper exploration of enrollment trends, cost analysis, and

regional analysis. EY-Parthenon also offered very early-stage, broad ‘hypotheses’ about major system needs and Oregon’s ‘end state’ needs for the Advisory Group to reflect on. This dialogue will inform refinement of these hypotheses, which can be tested with institutions and others to further refine the thinking about the questions of system and end state needs.

- **October 12** (Klamath Community College, Klamath Falls) - planning efforts are underway to develop an agenda and organize a regional panel for that upcoming meeting. The study will continue progressing from “baseline analysis” to “hypotheses.”
- **Additional Advisory Group meetings** are scheduled for November (Medford/Ashland), December (Monmouth), January (Portland), and February (Newport).

RESEARCH AND TECHNICAL CONSULTING TEAM - EY-PARTHENON

In May 2026, HECC opened a broad search for a technical consultant team to lead the technical work for this project. The Request for Proposal (RFP) included language from HB 4124 as well as findings from the assessment conducted by Oregon Consensus. HECC received 15 proposals in response to the RFP. Three members of the Advisory Group joined HECC staff on a selection panel that read proposals and interviewed the highest-scoring firms, eventually selecting EY-Parthenon as the winning proposer. HECC finalized a contract with EY-Parthenon in early July 2026.

EY-Parthenon brings deep higher education strategy experience and has maintained a dedicated higher education practice since the early 2000s. The firm works across higher education, government, foundations, workforce development, and the broader education ecosystem to respond to changing workforce demands, financial pressures, and evolving student needs—and has comparable experience supporting other public higher education leaders navigate complex system-level questions.

EY-Parthenon’s role is to serve as an independent, evidence-based technical advisor. EY-Parthenon will provide the analytical foundation, comparative evidence, and facilitation support of HECC leadership through this legislatively driven process. The firm will help HECC assess Oregon’s postsecondary system, build on prior analyses, engage interested groups, and develop actionable recommendations that are credible, policy-relevant, and grounded in Oregon’s governance and institutional context.

EY-Parthenon’s approach to the project contains three phases:

- Phase 1 (July - September, 2026) – focused on foundation-building, including a preliminary assessment of the post-secondary conditions in the system related to the missions of each sector, demographic and financial trends, and alignment with workforce needs. See Attachment A for EY-Parthenon’s Phase 1 findings.

- Phase 2 (October, 2026 - January, 2027) – focused on developing options; and
- Phase 3 (January - March, 2027) – focused on translating options into recommendations as well as a written report.

OTHER ENGAGEMENT MECHANISMS

To meaningfully broaden the scope of engagement on the HB 4124 Study, additional forums have been established to connect to this effort. These forums are intended to keep impacted groups and decision-makers informed and engaged, offering opportunities for substantive input along the way - and to ensure ‘no surprises’ at the end of the study process. They are NOT meant to replace any study inquiries being conducted by the EY-Parthenon team.

Regional Meetings and Panels

The Advisory Group, HECC, and EY-Parthenon determined that it was important to meet in several different parts of Oregon to assist in creating awareness and understanding about the nuances of culture, economy, and education in different regions of the state. As such, the process was designed to include regional meetings in eastern, south/central, southwest, Willamette Valley, and coastal Oregon, especially prioritizing locations having both a regional university and community colleges. To further support connections, panels of regional community leaders are invited to share about the dynamics in the region. The regional meetings are followed by a dinner for Advisory Group members, HECC leadership, the panelists, and elected officials from the regions. These dinners are hosted thanks to generous sponsorship from the Oregon Community Foundation.

The first regional panel, held in August in conjunction with the Advisory Group’s meeting at Eastern Oregon University in LaGrande, included Kelly Ryan, President of EOU; Mark Browning, President, Blue Mountain Community College; Sandy Porter, VP Academic Affairs, Treasure Valley Community College; Mark Mulvihill, Superintendent, InterMountain ESD; Leif Ryman, Executive Director, Eastern Oregon Workforce Board; Debbie Radie, Chief Quality/Stewardship Officer, Boardman Foods; Nils Christoffersen, Executive Director, Wallowa Resources; Maria Weer, Executive Director, Building Healthy Families; Grace Donovan, Executive Director, Rural Engagement Vitality; and Steve Chrisman, Economic Development & Airport Director, City of Pendleton.

Additional Student, Faculty, Staff, Legislator, Institutional, Public, and Other Engagement

Technical Workgroups, composed primarily of institutional leaders, will support EY-Parthenon in developing and testing hypotheses. This phase of work will begin in late September or early October.

With support from Oregon Consensus, a **Student Voices Group** has been established to provide student perspectives and input into the project. The group is expected to include 20-24 students that are broadly representative of Oregon’s student population, including public university, community college, non-traditional, CTE, graduate, and other categories. It is expected to meet 3-4 times between October and February. Small stipends will be offered to support student participation.

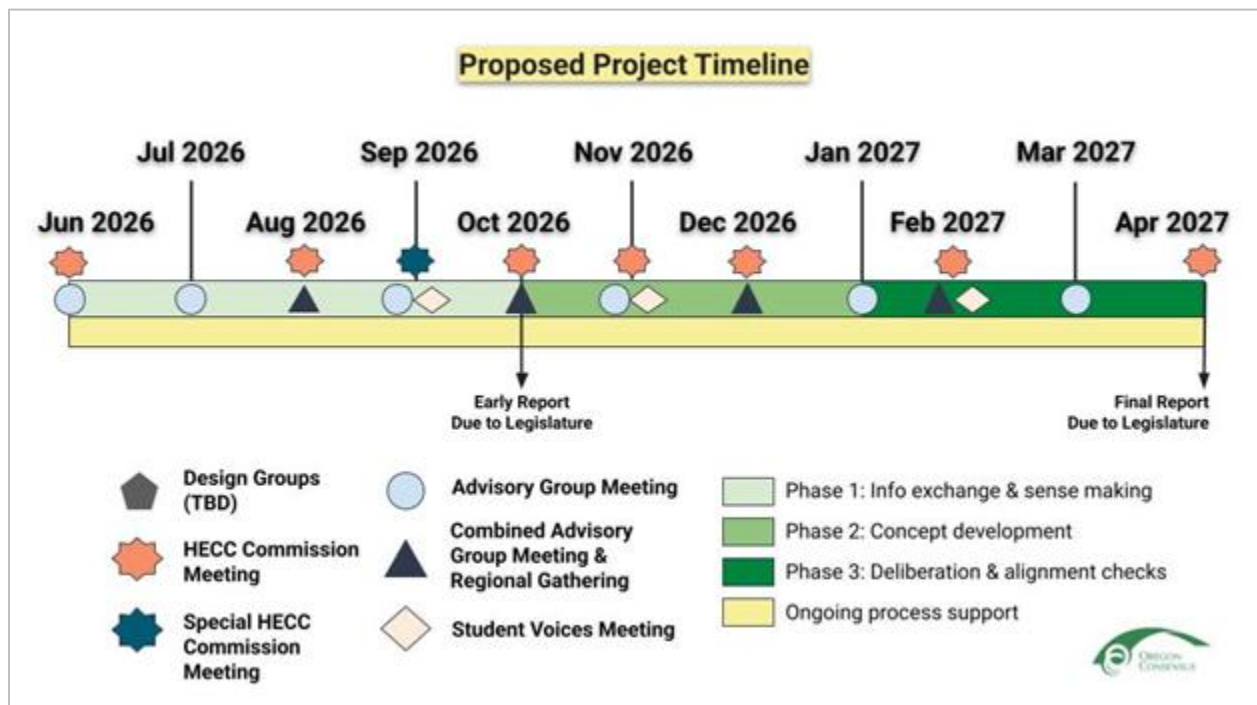
EY-Parthenon is organizing focus groups with **faculty and staff** from public universities and community colleges to gather input and test initial concepts. These will be held during the Fall.

HECC convenes a **legislative roundtable** every 4-6 weeks for interested legislators to receive project briefings, ask questions, and make suggestions.

An **academic and fiscal leadership** table, composed of chief academic and fiscal officers from public institutions, met on September 8 and will meet again the week of October 19 for a project briefing and to provide input.

At its regular public meetings, held near-monthly, the **Higher Education Coordinating Commission** receives an update on the project and provides input to staff. These meetings are also opportunities for the public to provide input through written and/or oral public testimony. The Commission has also scheduled special meetings focused on HB 4124, creating additional opportunity for deliberation.

The project’s overall design process can be depicted as follows:



EY-PARTHENON PRELIMINARY FINDINGS

Attached to this report is a slide deck that represents the results of Phase 1 of EY-Parthenon's contribution to the project. It draws from extensive analysis of quantitative data and insights gleaned from institutional, economic, workforce, and other Oregon leaders to reflect EY-Parthenon's understanding of the challenges facing Oregon higher education, the higher education value proposition in Oregon, and the relationship between higher education and the economy.

Due partly to the academic calendar and the deadline for this report, EY-Parthenon's slides do not reflect faculty, student, and staff perspectives. As a result, they should be considered preliminary, and readers should take caution in drawing any conclusions from them. As EY-Parthenon broadens its outreach to those communities and others, it will update these materials as necessary.

EY-Parthenon will continue to refine its understanding of the Oregon context as it moves into the second and third phases of the project, which involve developing and testing hypotheses, and issuing recommendations.

Due to the timing of the project, including the need to gather more information, engage more participants, and test concepts, this preliminary report does not contain HECC or EY-Parthenon recommendations for legislative or other action.



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HB4124 Oregon Higher Education Revitalization Study

Preliminary Findings

September 2026



The better the question. The better the answer. The better the world works.

Limitations and Restrictions

This report (the Report) and enclosed findings have been prepared by Ernst & Young LLP (EY or we), from information and material supplied by Oregon Higher Education Coordinating Commission (HECC), Oregon public universities and community colleges, stakeholder interviews, publicly available resources, and other third-party data sources, for the purpose of providing an analysis of Oregon's public postsecondary education system. The nature and scope of our services was determined solely by the Agreement between EY and HECC dated July 10th, 2026 (the Agreement). Our procedures were limited to those described in that Agreement. We assume no duty, obligation or responsibility whatsoever to any other parties that may obtain access to the Report.

The services we performed were advisory in nature. While EY work in connection with this Report was performed under the consulting services standards of the American Institute of Certified Public Accountants (the AICPA), EY did not render an assurance report or opinion under the Agreement, nor did our services constitute an audit, review, examination, forecast, projection or any other form of attestation as those terms are defined by the AICPA. None of the services we provided constituted any legal opinion or advice. This Report is not being issued in connection with any issuance of debt or other financing transaction.

In the preparation of this Report, EY relied on information provided by HECC, Oregon public universities and community colleges, stakeholder interviews, publicly available resources, and other third-party data sources, and such information was presumed to be current, accurate and complete. EY has not conducted an independent assessment or verification of the completeness, accuracy or validity of the information obtained.

Throughout the course of the Agreement, HECC will form its own conclusions based on its knowledge and experience. Any recommendations contained herein are advisory in nature and final policy, funding and operational decisions remain the responsibility of HECC and the State of Oregon. EY takes no responsibility for the achievement of recommendations.

Research activities to date

Interested party discussions (N=38 institutions/organizations; n=65 individuals)

- **University Leadership (N=7)**
 - Eastern Oregon University
 - Oregon Institute of Technology (n=10)
 - Oregon State University (n=5)
 - Portland State University (n=4)
 - Southern Oregon University (n=3)
 - University of Oregon (n=3)
 - Western Oregon University (n=3)
- **Community College Presidents (N=15)**
 - Blue Mountain Community College
 - Central Oregon Community College
 - Chemeketa Community College
 - Clackamas Community College
 - Clatsop Community College
 - Klamath Community College
 - Lane Community College
 - Linn-Benton Community College
 - Mt Hood Community College
 - Oregon Coast Community College
 - Portland Community College
 - Rogue Community College
 - Tillamook Bay Community College
 - Treasure Valley Community College (n=6)
 - Umpqua Community College
- **Workforce, Economic Development, and Industry (N=16)**
 - Biamp
 - Business Oregon (n=2)
 - Economic Development Alliance of Lincoln County
 - Economic Development for Central Oregon
 - Governor's Office, Regional Solutions
 - Greater Portland, Inc.
 - Hospital Association of Oregon
 - Oregon Business Council (n=3)
 - Rural Development Initiatives
 - Sky Lakes Medical Center
 - Southern Oregon Regional Economic Development Inc.
 - Southwestern Oregon Workforce Investment Board
 - Technology Association of Oregon
 - Vigor
 - Willamette Workforce Partnership
 - Workforce and Talent Development Board, Chair

To come next: additional interviews and focus groups with leadership, faculty, and students

Key secondary resources

- HECC Community College Financial Statement Analysis FY2025
- HECC Financial Sustainability of Oregon Community Colleges 2025 Report
- HECC Institutional Data Dashboards
- HECC Spending and Efficiency in Oregon Public Universities Report, Jan 2026
- HECC University Financial Conditions Analysis FY2025
- IPEDS (National Center for Education Statistics)
- Lightcast Workforce Board / Program Demand Gap Analysis reports
- National Center for Science and Engineering Statistics
- NCHEMS Oregon Higher Education Landscape Study, Sept 2022
- SHEEO SHEF FY25 Report
- 2025 E&G Funding Survey

About the data

- This analysis draws primarily on data reported by institutions to HECC and IPEDS. Workforce analyses leverage Oregon Employment Department (OED) data and, where needed, are supplemented by Lightcast labor market information
- Each data source has its own methodology, definitions, strengths and limitations. Throughout the report, we seek to transparently identify data sources and clarify what each measure does and does not represent
- Where national benchmarking adds value, we generally rely on IPEDS data to enhance comparability across states and institutions. When IPEDS definitions differ materially from those used by HECC, we note those differences where relevant
- While we review data for reasonableness and investigate material discrepancies when identified, this engagement does not include an audit or independent verification of data reported by HECC, IPEDS, institutions, or other data providers

HB4124 asks for a study of Oregon's postsecondary education system. This presentation represents our preliminary findings

This presentation is divided into three chapters

- **Chapter 1:** *The Challenges in the Higher Education System*
- **Chapter 2:** *The Higher Education Value Proposition in Oregon*
- **Chapter 3:** *Higher Education and the Economy*

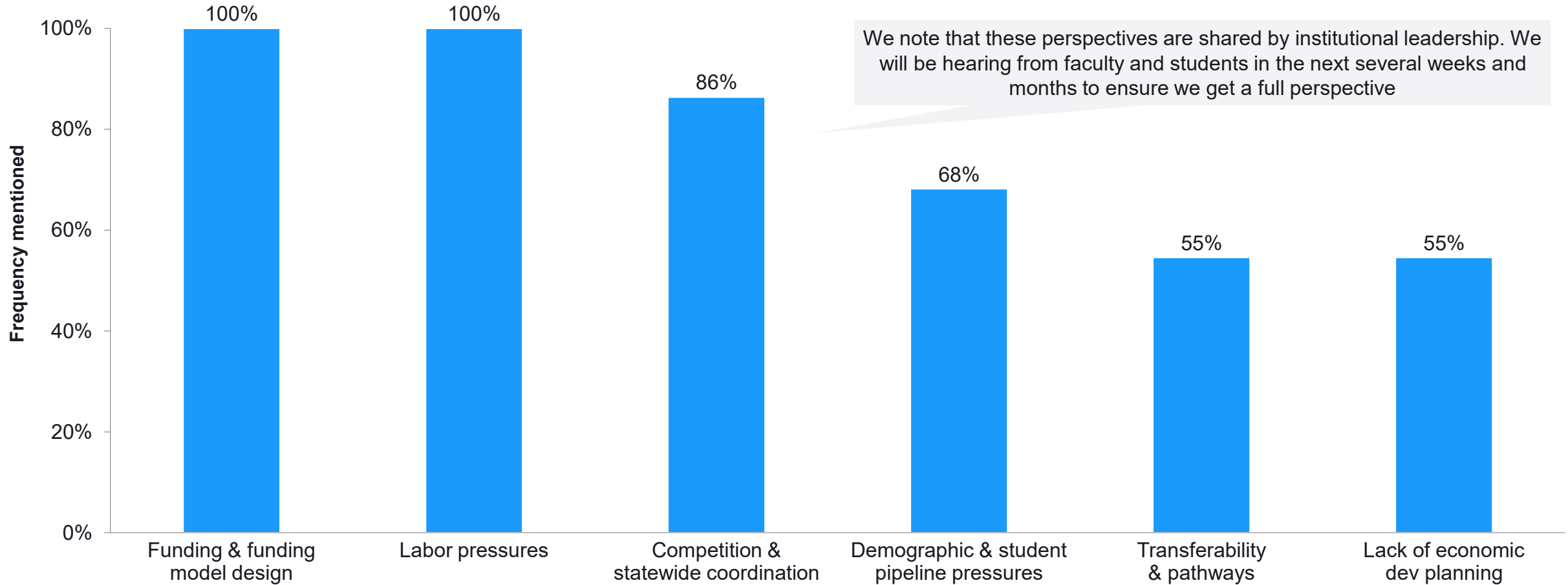
Chapter 1: Summary

Chapter 1 focuses on key challenges commonly cited by system leaders

- Leaders at institutions we interviewed cite lack of state prioritization of and investment in higher education, labor influence and costs, declining enrollment, and gaps in higher education coordination as the system's key challenges
- **Funding and enrollment:** Oregon invests below the national average in public higher education, with 4-year institutions in particular ranking among the lowest-funded nationally on a per-FTE basis (currently 46th). Nevertheless, state investment has been rising in a period where enrollment has declined
 - This decline has been uneven—more significant at PSU, WOU, and SOU, and many community colleges. OSU has been growing due to out-of-state and online growth. Drivers of overall decline include adult enrollment decline, while online enrollment growth has been a stabilizer for many schools
- **Costs have grown** in line with increases in investment, and faster than peers nationwide. This is particularly true at 2-year institutions, both on a total basis and on a per FTE basis
 - Costs have increased in most categories, but particularly outside of “core educational costs” (instructional, academic support, student services)—including public service, research, and administrative/operational categories
 - OR spends a higher share of total expenses on fringe benefits than national averages
- **Capacity:** *Part* of what can contribute to cost is available instructional FTEs in the system. Declines in instructional capacity have not always kept up with declines in enrollment, especially relative to higher student to faculty levels seen following the Great Recession. However, this is consistent with national trends.

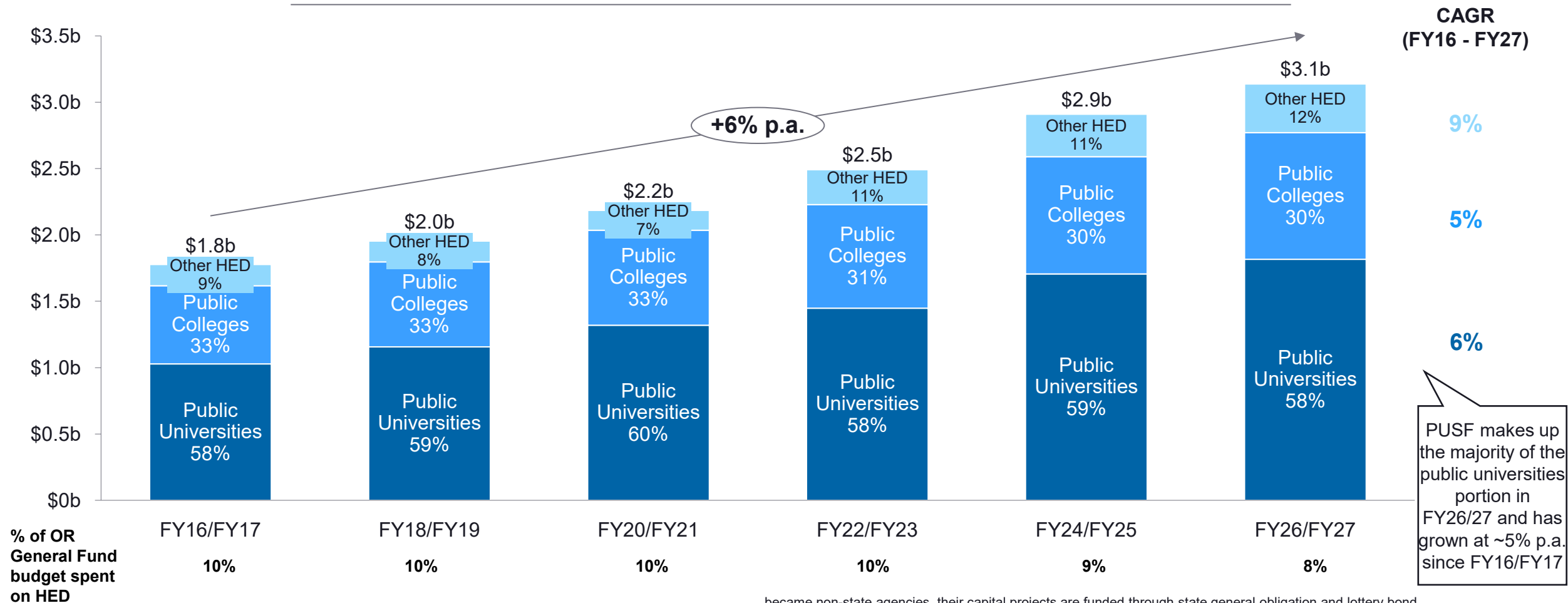
What challenges does Oregon higher education face? *[PRELIMINARY]*

Key challenges cited in public university and community college president and leadership team interviews (N=22 institutions)



Oregon biennial investment in higher education has grown by 6% annually since FY16/FY17 to \$3.1b for FY26/FY27, despite decreasing as a share of the general fund

Oregon Legislatively Adopted Budget: General Fund¹ by higher education area² (FY16-FY27)



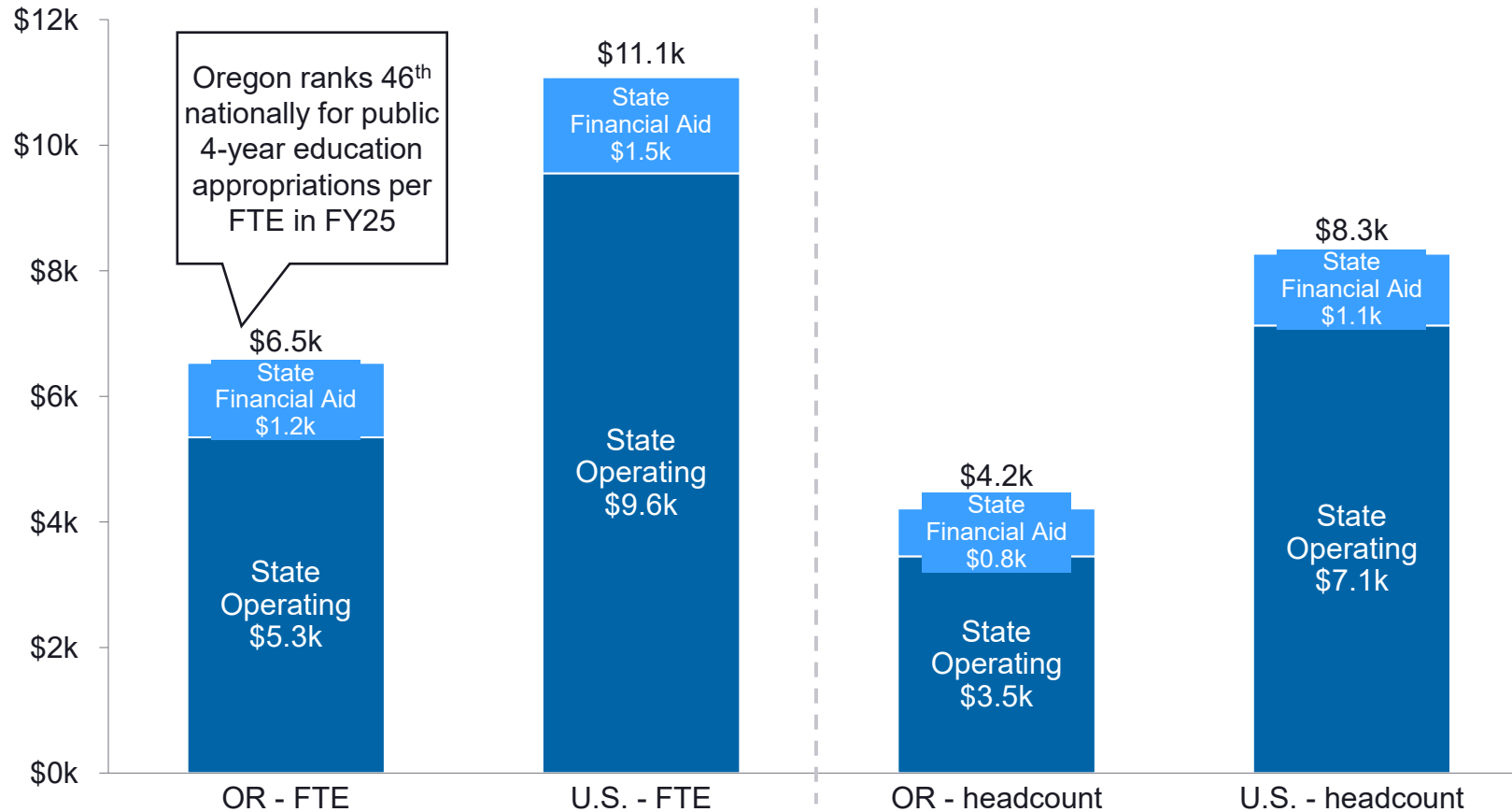
% of OR General Fund budget spent on HED

1. General Fund reflects state revenue from primarily personal and corporate income taxes; excludes Lottery Funds, Other Funds, and Federal Funds.
 2. "Public Universities" includes OHSU; "Other HED" represents Oregon Opportunity Grant and HECC Operations and Other Programs.
 3. Debt service is included in GF view. Capital construction is excluded from GF view. Because public universities

became non-state agencies, their capital projects are funded through state general obligation and lottery bond proceeds recorded as Other Funds, not General Fund, and CC capital is likewise financed via XI-G bond proceeds disbursed as grants. As a result, virtually no capital construction appears in the General Fund. The only exception is a one-time \$247.5k emergency renovation at SWOCC (<1% of CC GF in 2025-27), with no GF capital reported in prior biennia for CCs, nor public universities.

Oregon state appropriations at 4-year institutions lag most of the country, ranking 46th among all states on a per FTE basis

Oregon public 4-year higher education appropriations (operating and financial aid) per FTE and headcount^{1,2} (FY25)



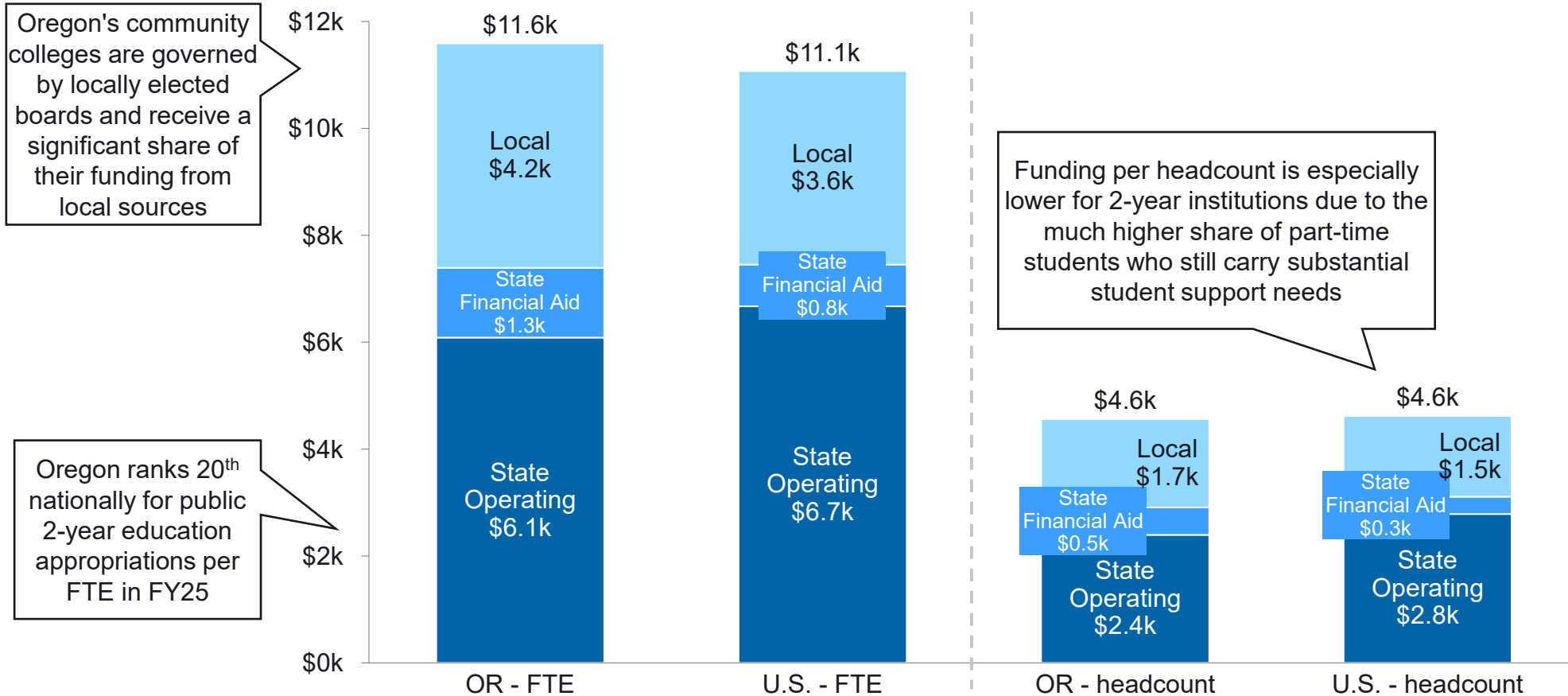
1. Figures are adjusted by a SHEEO cost-of-living factor (Cost of Living Index), which accounts for cost-of-living differences across states (decreases the displayed Oregon value below the nominal); SHEF excludes research, agricultural, and medical (RAM) appropriations and FTE enrollment for students attending medical schools to improve cross-state comparability.

2. Headcount reflects IPEDS 2024-25 12-month unduplicated enrollment. Two-year sector includes public institutions classified as degree-granting but not primarily baccalaureate; 939 Oregon students (169,390 nationally) are excluded from the public four-year denominator to align with SHEF's exclusion of medical/professional-practice enrollment.

Source: SHEEO SHEF FY25 Report

Oregon's 2-year colleges receive similar state and local investment relative to the country on both a per FTE basis (ranking 20th among all states) and per headcount

Oregon public 2-year higher education appropriations (operating and financial aid) per FTE and headcount^{1,2} (FY25)

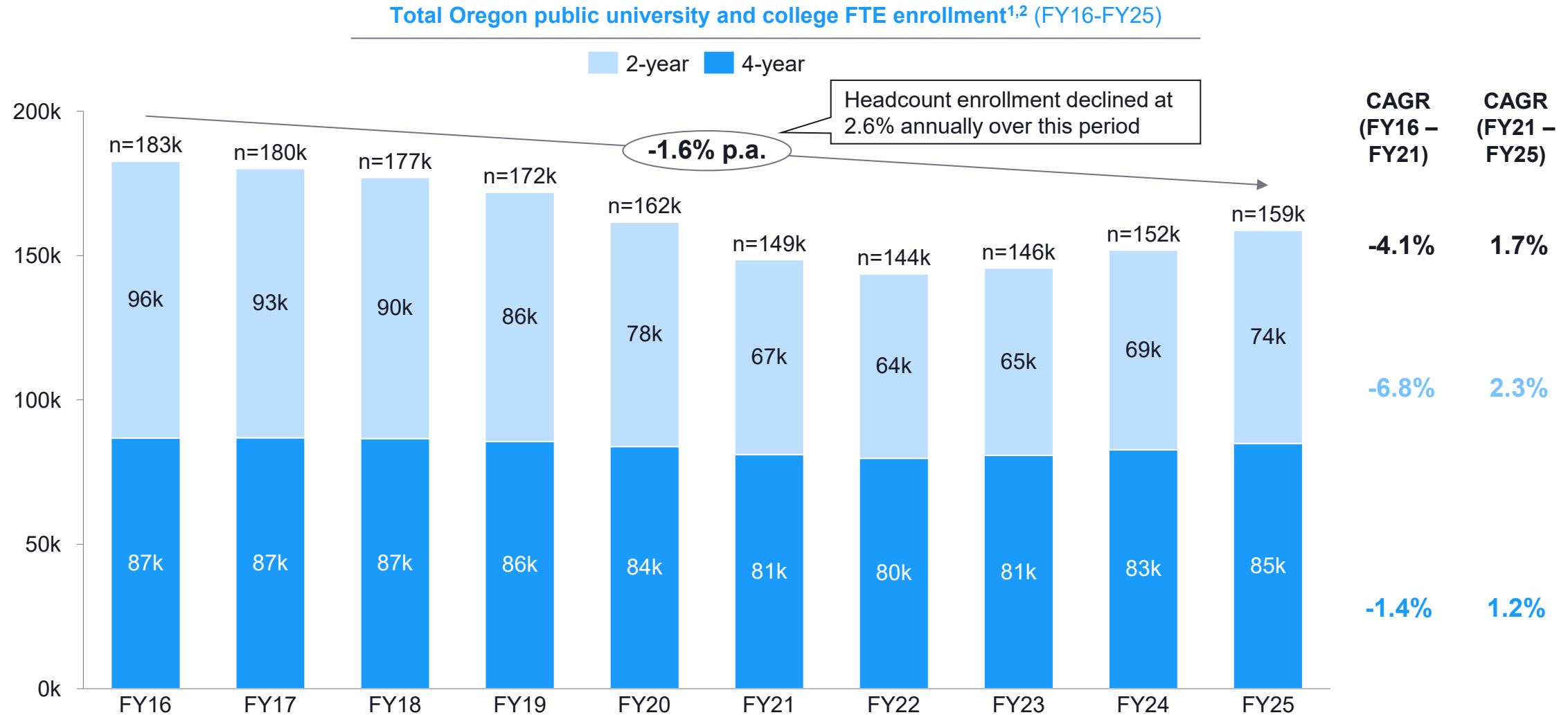


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2. Headcount reflects IPEDS 2024-25 12-month unduplicated enrollment. Two-year sector includes public institutions classified as degree-granting but not primarily baccalaureate.

Source: SHEEO SHEF FY25 Report

OR public FTE enrollment declined at ~1.6% annually over the last decade; however, since 2020-21, enrollment has grown at both 4-year and 2-year institutions



1. FTE levels are not inclusive of OHSU.

2. Data includes undergraduate, graduate, and high school dual enrollment students.

Source: HECC Institutional Data Dashboards

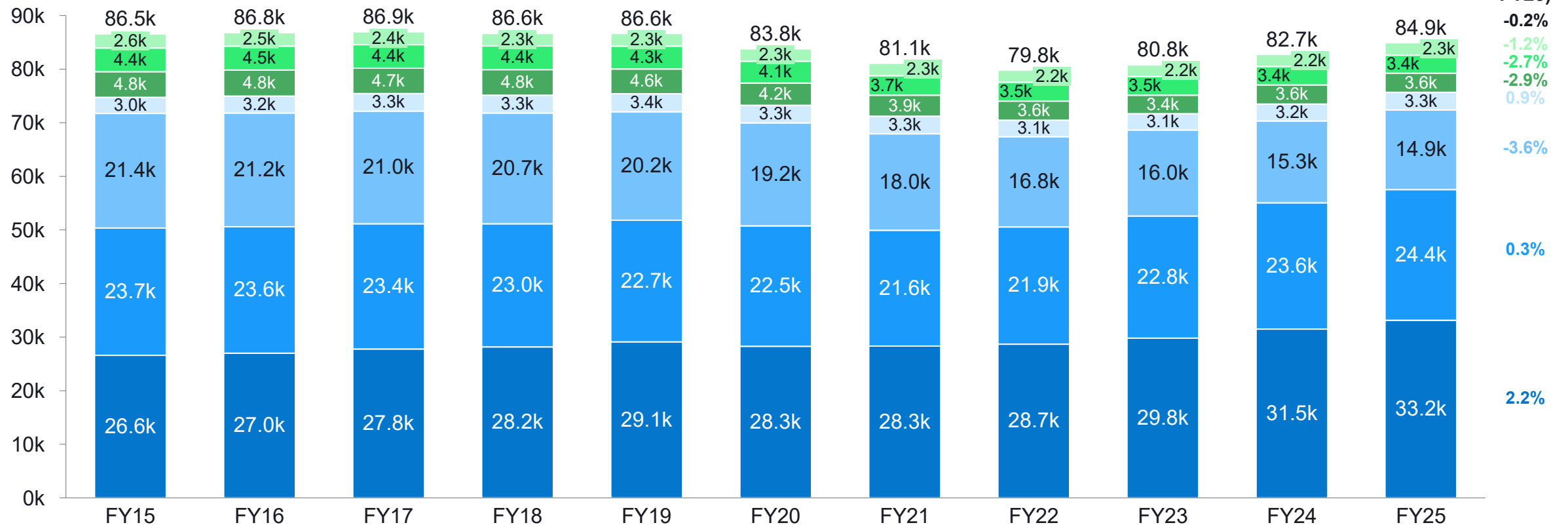
Enrollment shifts have varied across Oregon's public universities, with more growth at OSU and declines at PSU, WOU, and SOU

Total FTE count by institution¹ (FY15-FY25)

OSU UO PSU OIT WOU SOU EOU

-1.1% p.a.

+1.2% p.a.

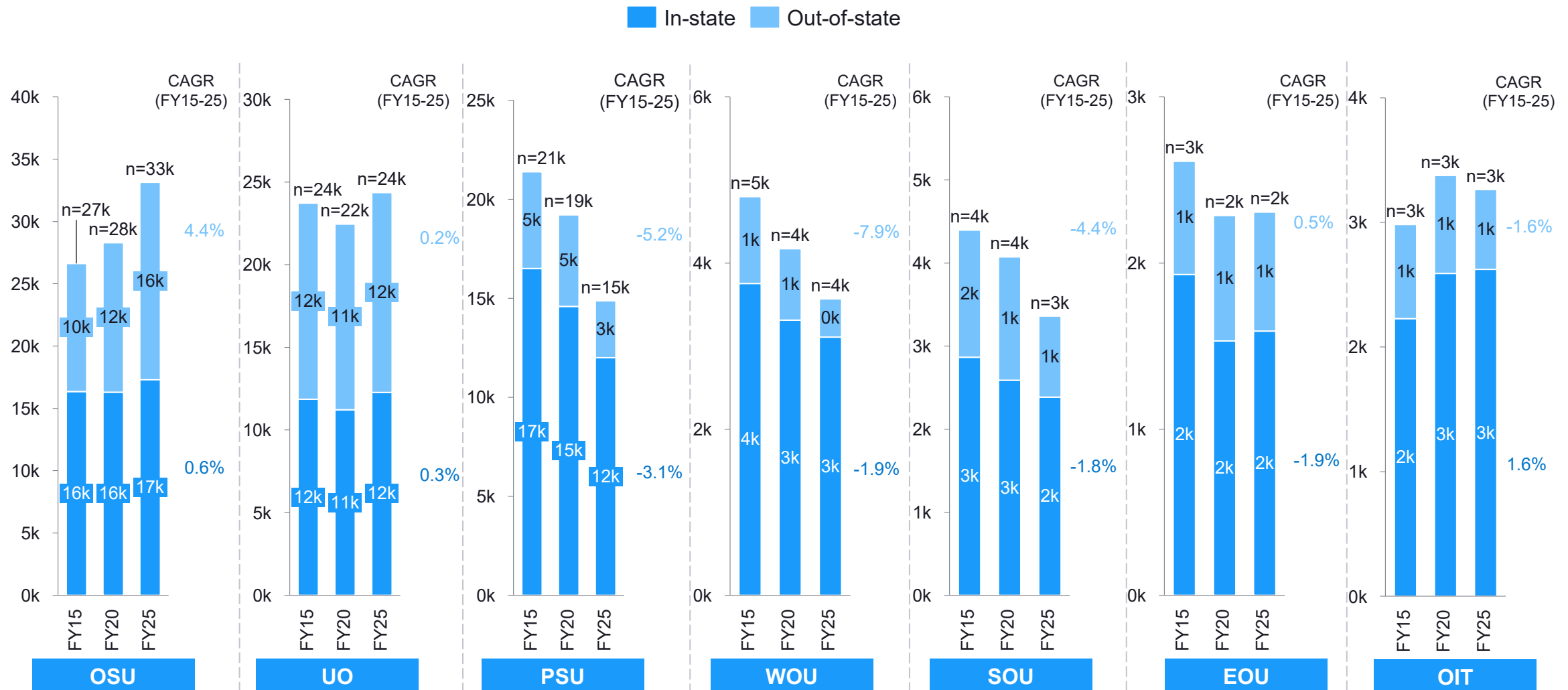


1. Data includes undergraduate, graduate, and high school dual enrollment students.

Source: HECC Institutional Data Dashboards

OSU has increasingly attracted non-resident students, while several regional universities and PSU continue to face broad-based enrollment declines since FY15

Total Oregon public university¹ FTE enrollment², in-state vs. out-of-state, by institution (FY15-FY25)



1. FTE levels are not inclusive of OHSU.

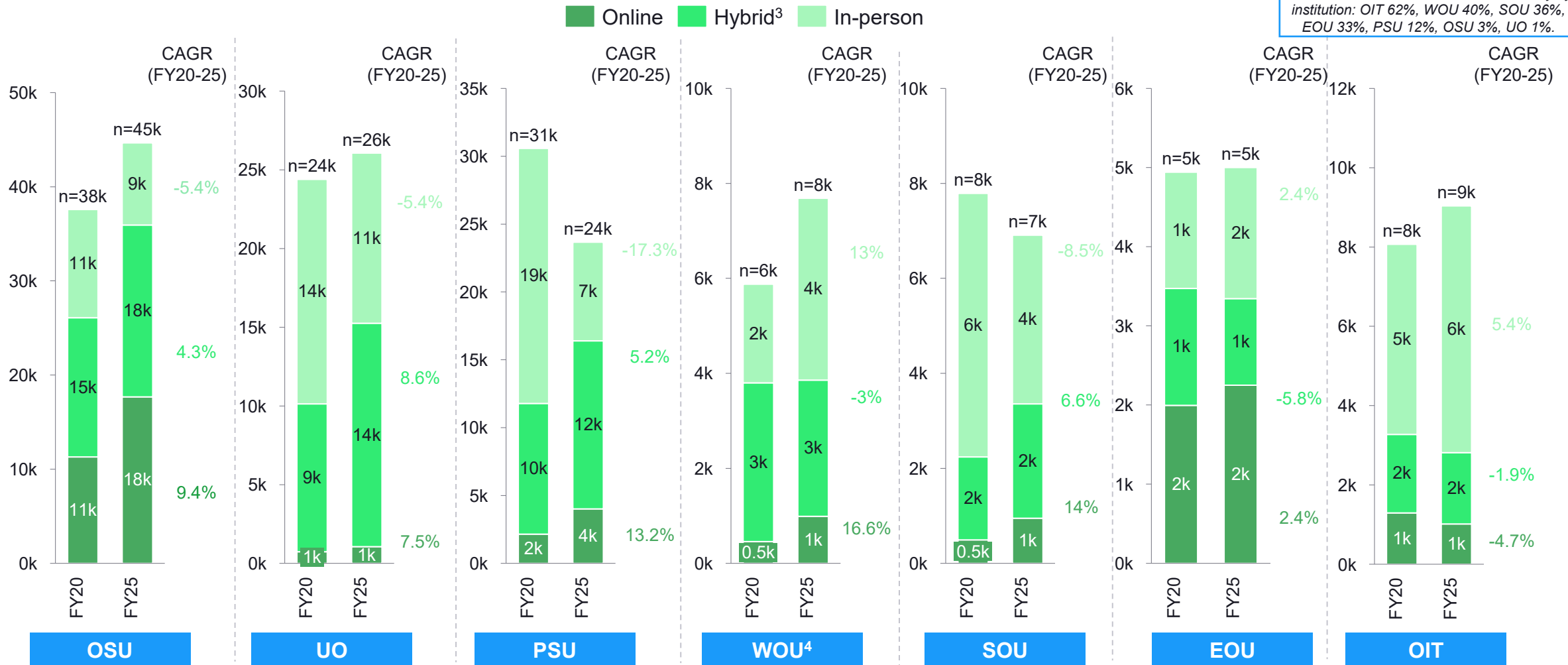
2. Enrollment number includes high school, undergraduate and graduate students.

Source: HECC Institutional Data Dashboards

Flexible delivery models have emerged as a key enrollment stabilizer, helping offset continued weakness in traditional in-person demand

Total Oregon public university enrollment (headcount)^{1,2} by modality, by institution (FY20-FY25)

Note: Headcount includes dual-enrolled HS students taking college courses for credit. FY25 DE share of headcount varies widely by institution: OIT 62%, WOU 40%, SOU 36%, EOU 33%, PSU 12%, OSU 3%, UO 1%.



1. Headcount reflects IPEDS 12-month unduplicated enrollment, which includes dual-enrolled high school students taking college courses for credit.

2. FTE data by modality is not available in IPEDS.

3. Hybrid refers to students enrolled in some, but not all, distance education courses (i.e., a mix of

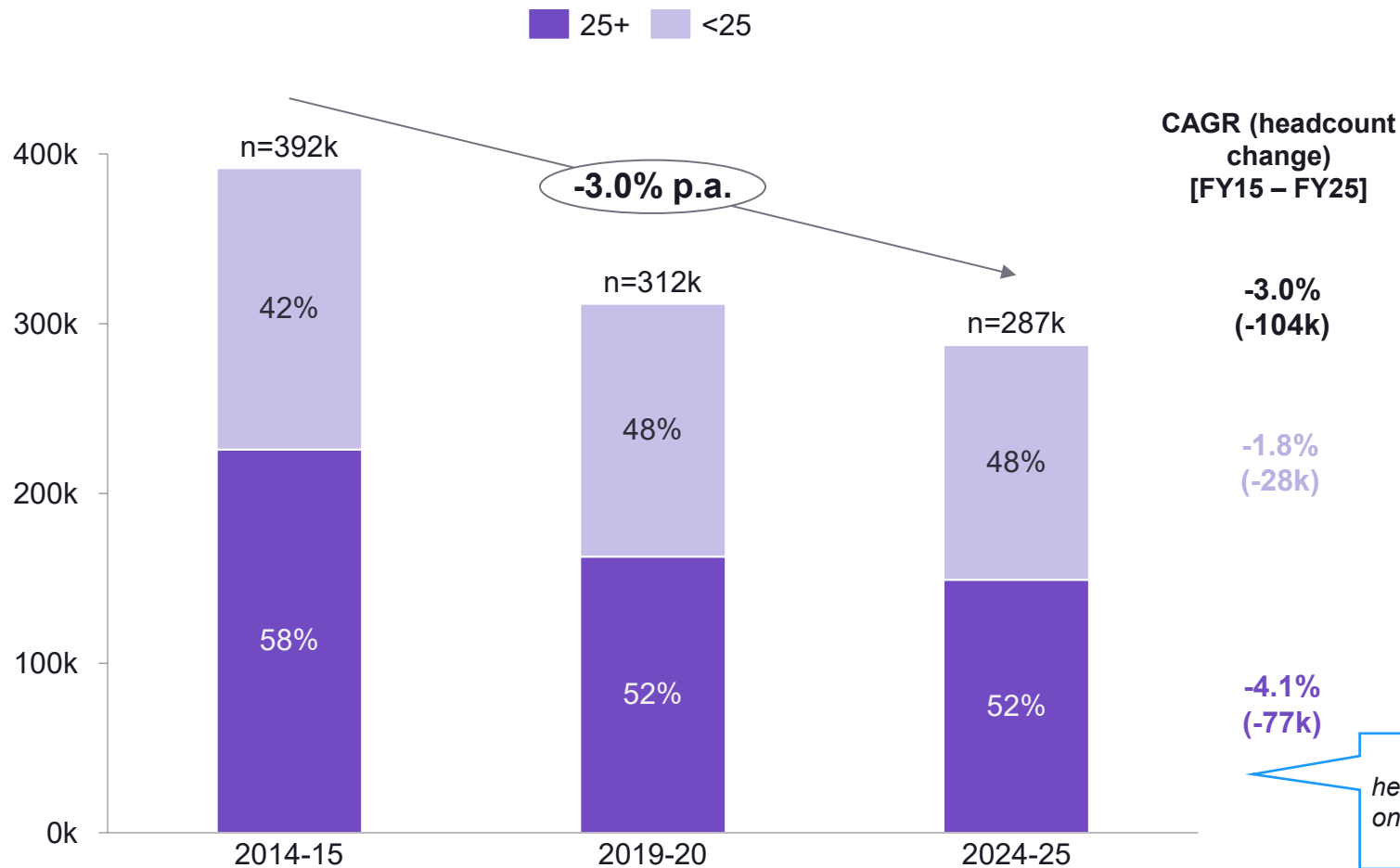
Source: IPEDS

online and in-person coursework)

4. Dual-enrolled high school students were only included in WOU's IPEDS 12-month unduplicated headcount beginning FY23; prior years exclude them, limiting FY20–25 comparability.

Adult learners drove the contraction, contributing ~77k of the ~104k total enrollment decline from FY15 to FY25

Total enrollment (headcount)^{1,2} at Oregon public universities³ and community colleges, by age
(FY15-FY25)



Commentary

- **Key drivers of adult-learner decline**
 - Prioritizing current employment: sustained labor demand for jobs that don't require postsecondary credentials pulls adults toward work over school
 - Weak career visualization: few experiences help adults see themselves in a future career that a credential unlocks
- **Compounding barriers**: affordability, weak sense of belonging, adults not seeing themselves as capable learners, unclear enrollment processes, instruction not designed for adults
- **Market shift**: adult learners nationally have migrated to cheaper, faster, more flexible online programs from a few heavily-marketed institutions (e.g., Southern New Hampshire University, Univ. of Phoenix, Western Governors University)

1. Based on undergraduate/graduate students with available reported data. While dual enrollment is not included, ~3% of enrollment is among students under the age of 18.

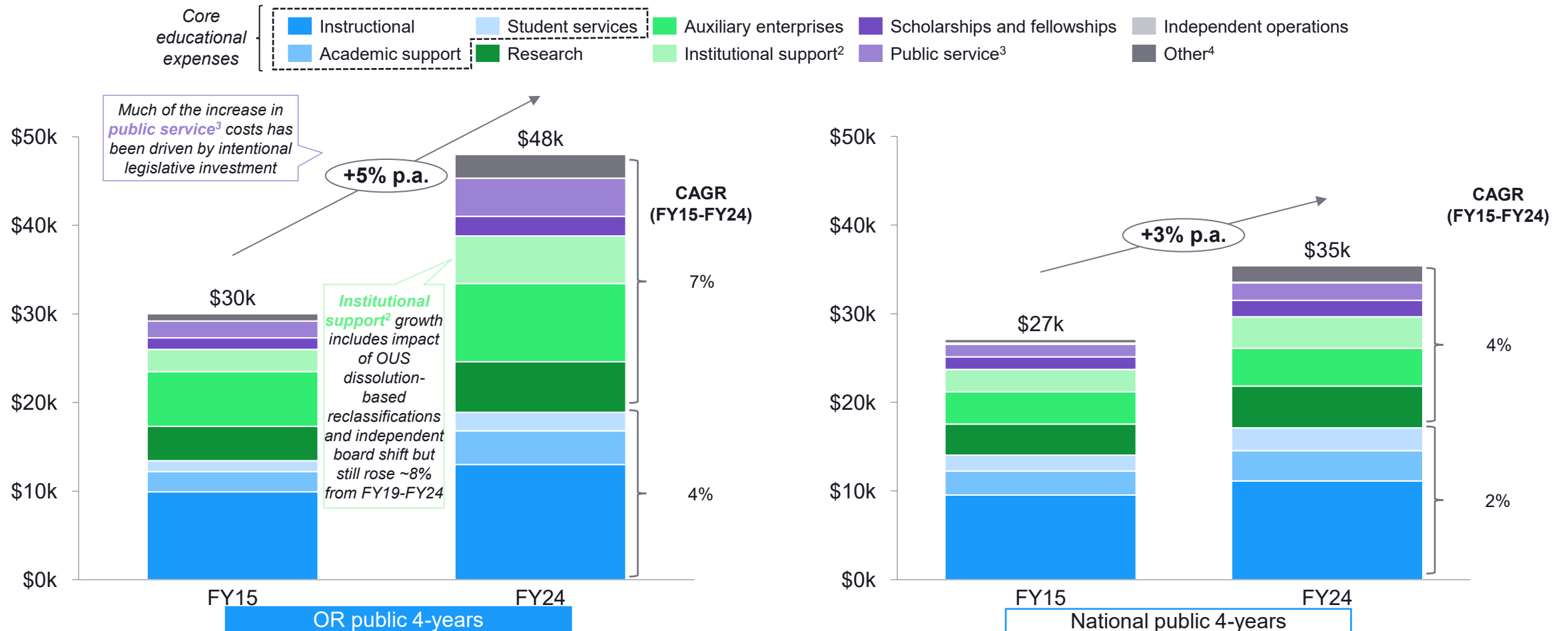
2. Enrollment by age shown in headcount, age by FTE count (HECC) not available prior to FY20.

3. Does not include Oregon Health & Science University.

Source: HECC Institutional Data Dashboards; HECC Adult Attainment Report

Oregon's higher per-FTE spend at 4-years is driven primarily by growth in areas like research, auxiliary, institutional support, and public support

Expenses per FTE (IPEDS) by function at 4-year public institutions¹ (FY15-FY24)



1. Institutions that reported hospital services expenditures are excluded from this analysis.

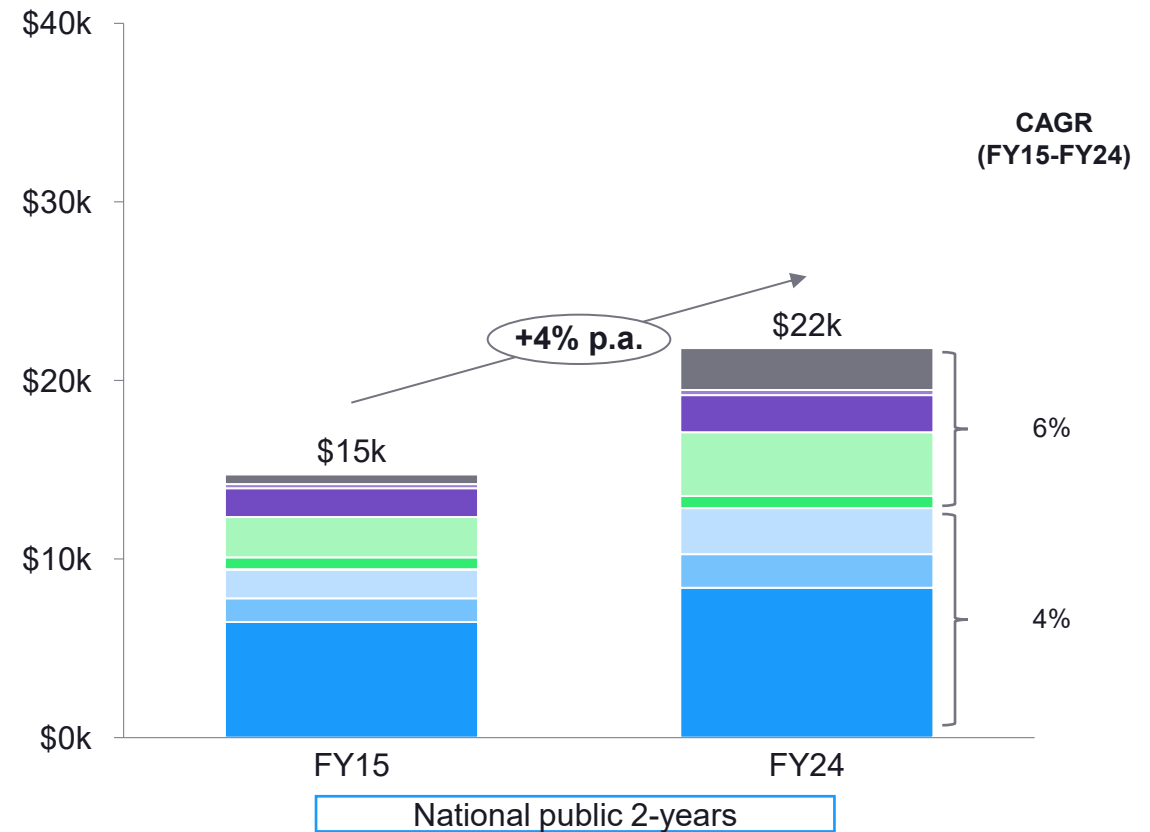
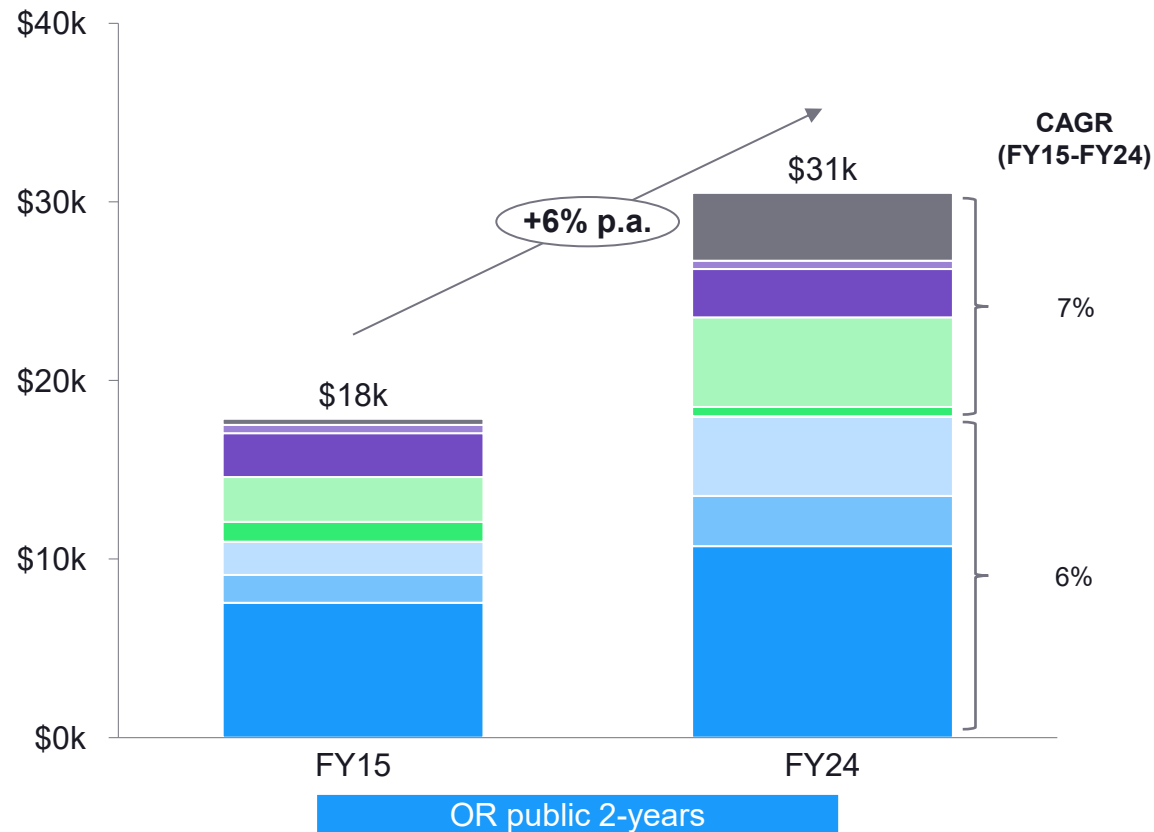
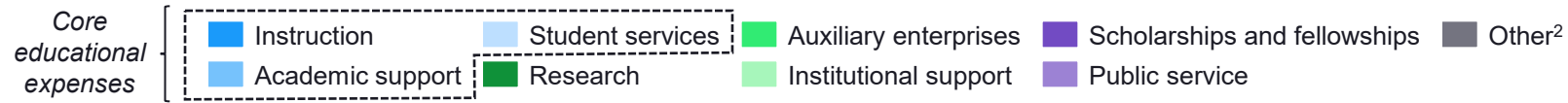
2. Institutional support (admin/business functions such as executive, legal, finance, IT, procurement, marketing, programs and dedicated OSU funding for statewide public services, including research, extension, healthcare, compliance, risk management expense elements, and HR) rose sharply from FY15-17 (~12% CAGR), largely reflecting a one-time reclassification from the OUS dissolution and move to independent boards. Growth has continued since, at ~8% CAGR (FY19-FY24), driven in part by non-discretionary cost pressures defined by IPEDS). (e.g., compliance, labor, and IT modernization).

3. Public service spending growth at OR public 4-years reflects increased state funding for statewide service wildfire, and other community services.

4. "Other" includes sum of all operating expenses associated with functions other than those listed previously (as defined by IPEDS).

Oregon's higher per-FTE spend at 2-years is driven primarily by student services and other areas like institutional support

Expenses per FTE (IPEDS) by function at 2-year public institutions¹ (FY15-FY24)



1. Institutions that reported hospital services expenditures are excluded from this analysis.

2. "Other" includes sum of all operating expenses associated with functions other than those listed previously (as defined by IPEDS).

3. Data is based on IPEDS FTE counts; comparability to national values could be affected by the extent to which institutions serve students not captured in the IPEDS FTE calculation, which may include noncredit, workforce training, and adult basic education

HECC and IPEDS have different methodologies for determining FTE and headcount enrollment

The prior pages contain Oregon cost comparisons relative to national benchmarks, in which we use IPEDS data for comparability. In subsequent analysis, we may compare costs between institutions in Oregon and would propose to use HECC data where possible when doing so (particularly for community colleges due to greater variation in enrollment values by source).

FTE methodologies

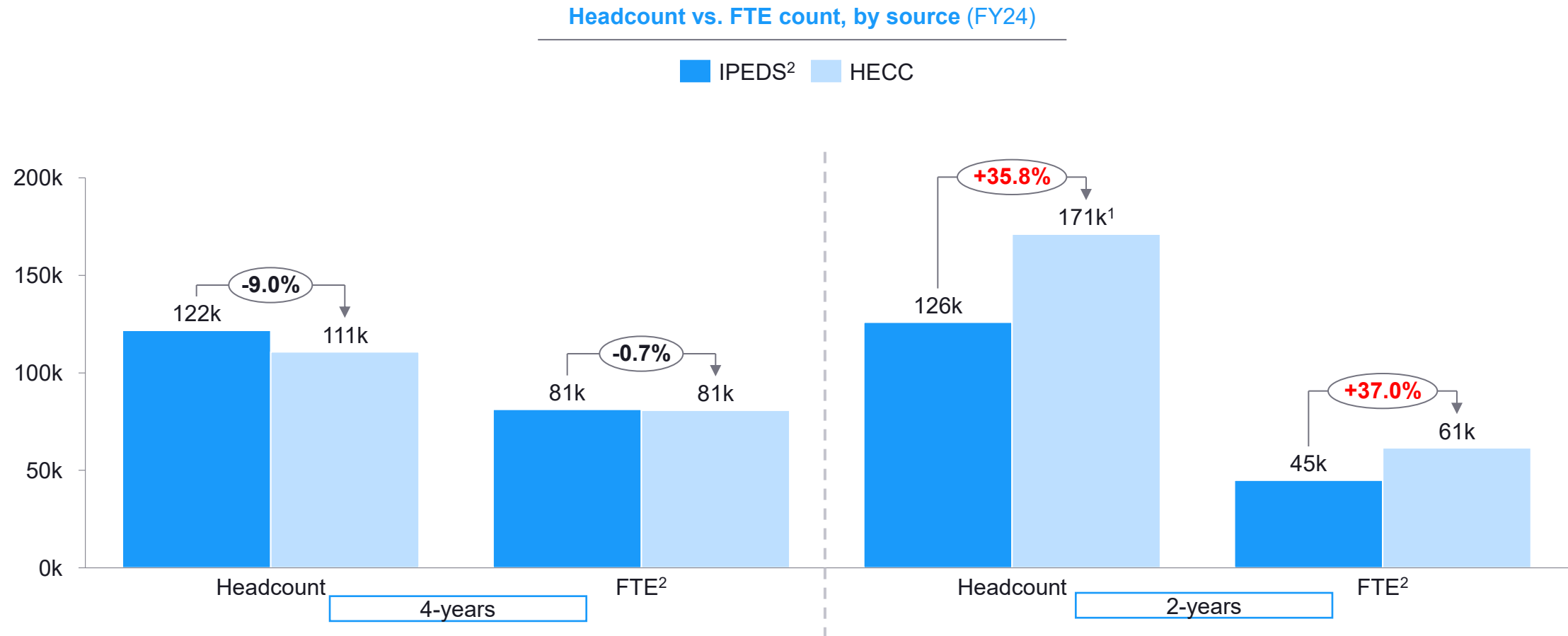
- **IPEDS:** Based on clock hours or credit hours depending on the institution / level:
 - Credit hours divided by 45 (quarter) or 30 (semester/other) at the undergraduate level
 - Credit hours divided by 36 (quarter) or 24 (semester/other) at the graduate level
 - Institution-reported doctoral professional practice (DPP) FTE amount is subsequently added to undergraduate and graduate FTE amounts
 - Clock hours divided by 900
- **HECC (University):** Based on credit hours based on level:
 - Credit hours divided by 45 at the undergraduate level
 - Credit hours divided by 36 at the graduate level (excluding PhD)
 - Credit hours divided by 27 at the PhD level
- **HECC (Community college):** Based on total clock hours (i.e., total hours the course meets over the term):
 - Clock hours divided by 510 (1 FTE = 510 clock hours)
 - Includes hours for every student attending a course offered by the community college, including many noncredit courses

Headcount methodologies

- **IPEDS:** Includes all students at an institution served over a 12-month period (unduplicated headcount); unduplicated headcount is the sum of students enrolled for credit, with each student counted only once during the reporting period, regardless of when the student enrolled
 - *Credit is defined as “recognition of attendance or performance in an instructional activity (course or program) that can be applied by a recipient toward the requirements for a degree, diploma, certificate, or other formal award”*
- **HECC:** Represents the total count of students attending an institution in a given academic year, regardless of the number or type of courses they are enrolled in

HECC community college counts include additional student activity, including noncredit and workforce training participation that is not fully captured in IPEDS enrollment measures

These differences drive especially large enrollment values (FTE and headcount) for 2-year institutions, with HECC producing higher counts



1. Total headcount for 2-years is the total statewide value shown on the HECC dashboard, which is less than the sum of reported headcount values by institution due to deduplication.

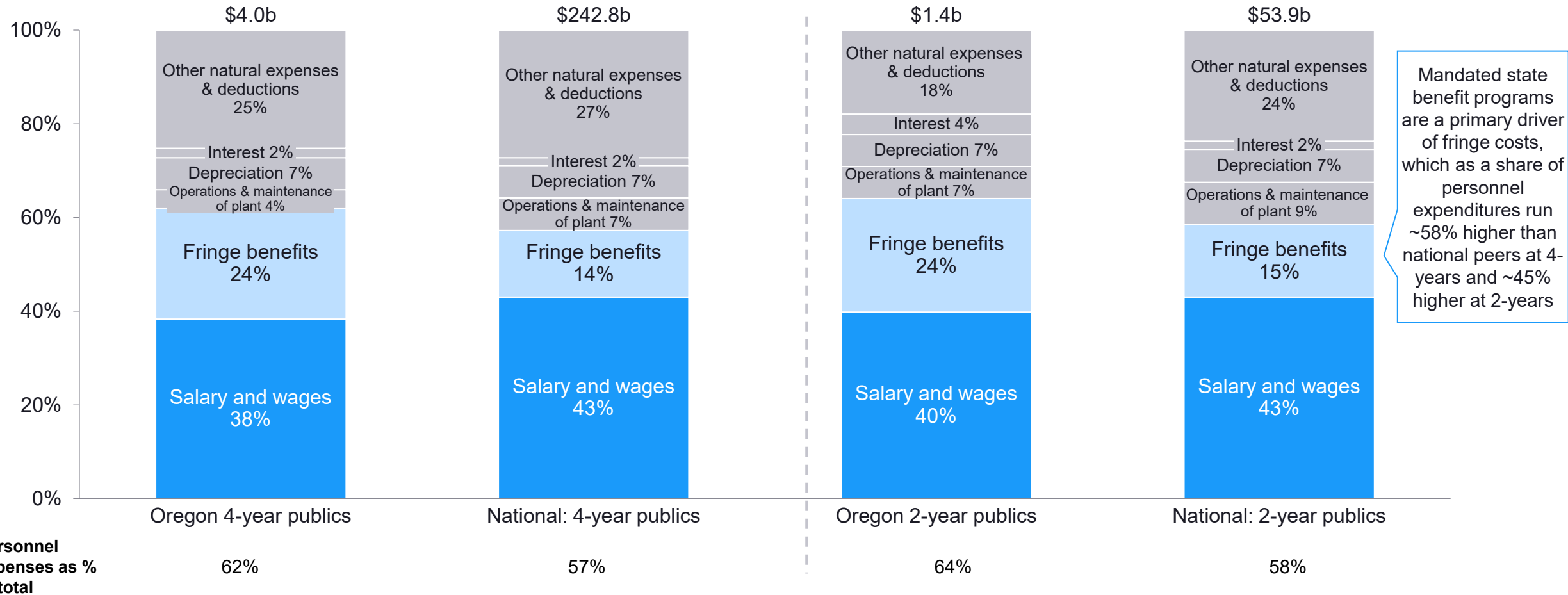
2. IPEDS Fall FTE enrollment and 12-month unduplicated headcount values.

3. HECC headcount and FTE exclude dual-enrollment high school students; IPEDS values include them, as these students cannot be disaggregated from reported headcount and FTE.

Source: IPEDS; HECC Institutional Data Dashboards

Oregon's public universities and colleges face fringe rates that are meaningfully higher than national averages

Personnel expenditures as a share of total expenditures, by natural expense category^{1,2} (FY24)



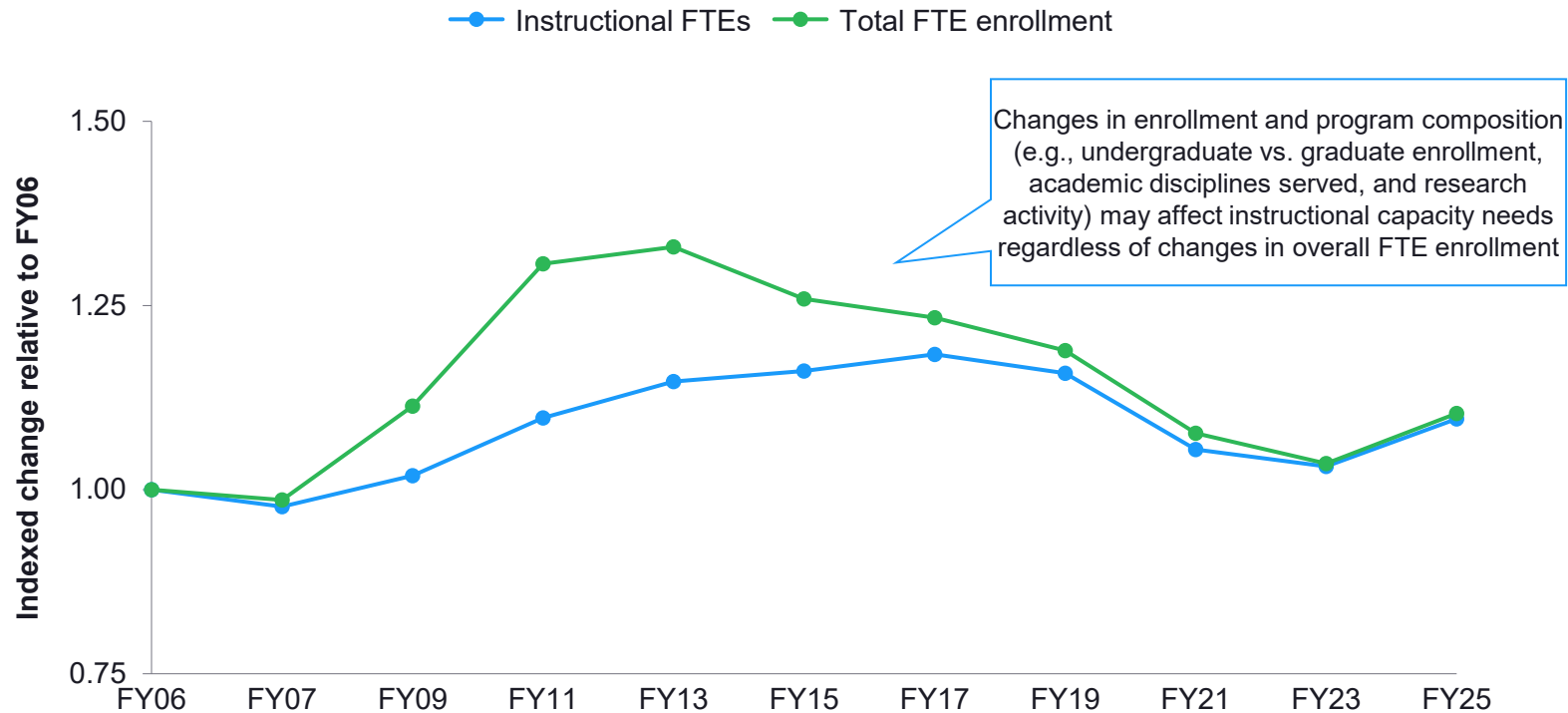
1. Employee fringe benefits include retirement plans, social security taxes, medical/dental plans, guaranteed disability income, tuition plans, housing plans, unemployment compensation plans, group life insurance plans, worker's compensation plans, and other benefits in-kind with cash options.

2. Institutions with hospital services expenditures are excluded from this analysis.

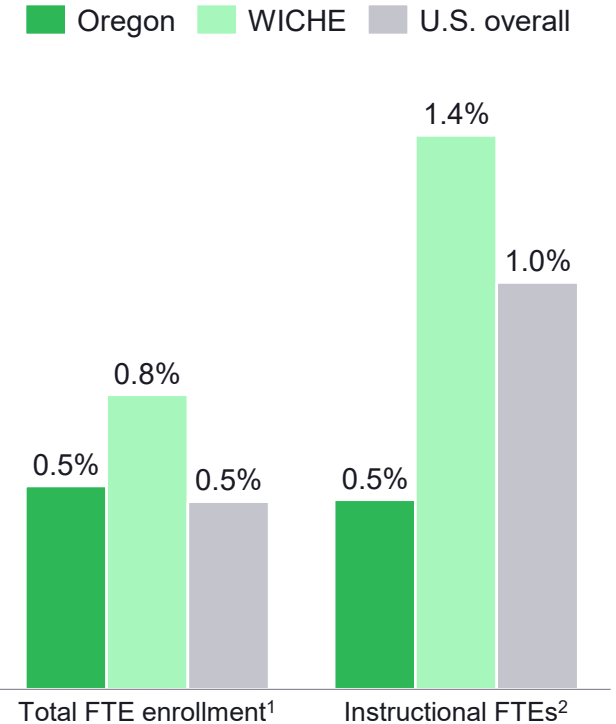
Source: IPEDS; EY-Parthenon analysis

Enrollment growth greatly outpaced instructional FTEs during the Great Recession, but these elevated student-to-faculty ratios have not held through enrollment decline

Oregon change in total student enrollment and instructional FTEs (publics),
(FY06 – FY25 indexed to FY06)



Annual growth (decline) in enrollment and instructional FTEs (publics), (FY06 – FY25)



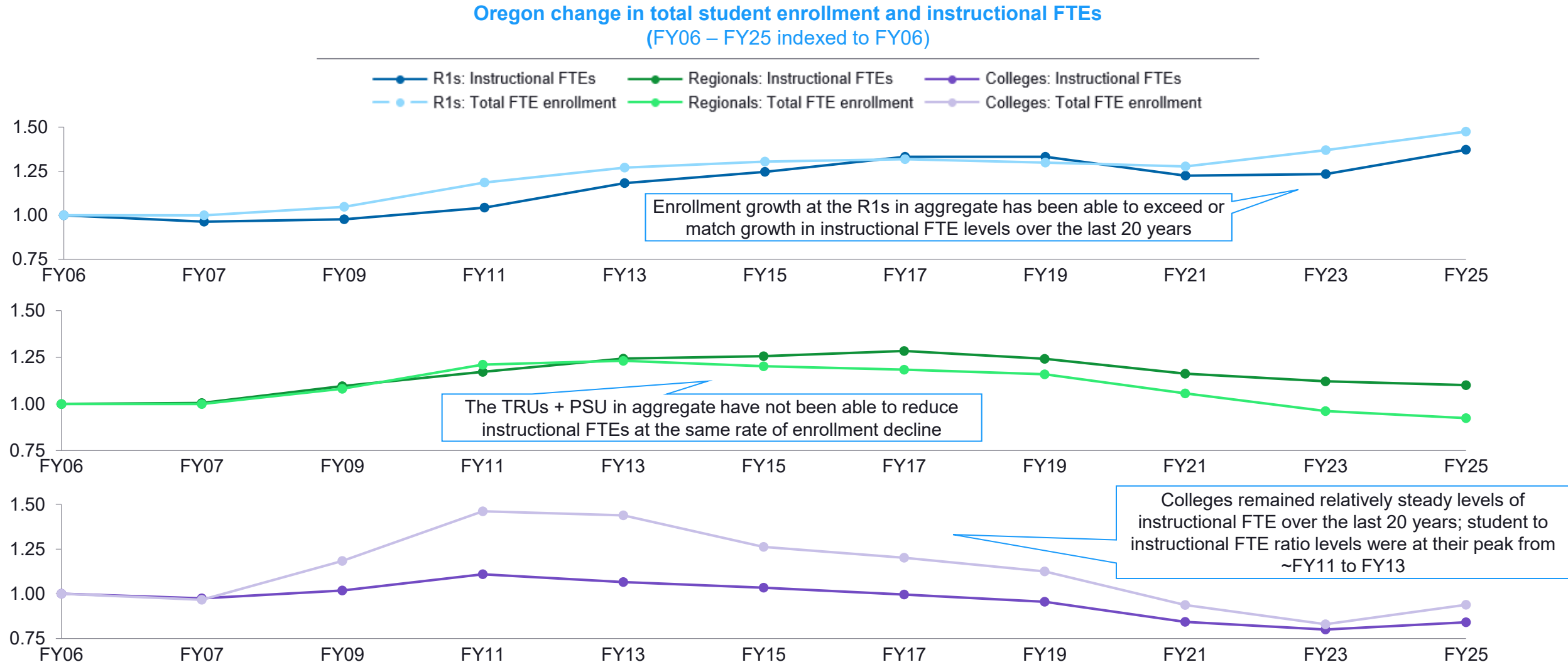
FTE enrollment ¹	115k	114k	128k	151k	153k	145k	142k	137k	124k	119k	127k
Instructional FTEs ²	8k	8k	8k	9k	9k	9k	9k	9k	8k	8k	9k

1. Representative of total fall enrollment (FTEs).

2. Includes Instructional, Research, and Public Service FTEs.

Source: IPEDS; EY-Parthenon analysis

Enrollment and instructional FTE changes (and their corresponding ratios) vary by postsecondary sector and university type in Oregon



1. Representative of total fall enrollment (FTEs).
 2. Includes Instructional, Research, and Public Service FTEs.
 Source: IPEDS; EY-Parthenon analysis

Chapter 2: Summary

Chapter 2 examines the higher education “product” in Oregon. What is the role of each part of the system? Who does it serve? What is it offering? How much does a family pay? Is the value proposition of higher education in Oregon compelling?

We will not answer all of these questions in this preliminary report, but will show you what the data is telling us so far

- **Role and who they serve:** All institutions play a role in promoting access, but differ in mission and structure, including statewide research universities, regional/rural/urban-serving institutions, and community colleges. Beyond that, each sector has different leanings — e.g., R1s attract students from out-of-state and promote statewide economic development, research and innovation; community colleges serve predominantly low-income students and adult learners and promote primarily workforce preparation through a variety of credit and noncredit bearing programming, transfer pathways, and in some cases, bachelor’s degree offerings
- **Offerings:** At the undergraduate level, most (non-specialized) universities offer a broadly similar program mix, while programs are more differentiated at the graduate level. While we have heard anecdotally from some that program overlap is a challenge, particularly in a given region, academic offerings are largely managed at the institutional level by university governing boards and locally governed community colleges. We have not yet analyzed the data at a regional (or granular enough) level to determine whether this concern is warranted. Analysis of differentiation will continue in the next phase.
- **Outcomes:** Student outcomes vary widely across institutions, with completion rates ranging from approximately 40-70% across both universities and community colleges
- **Value/price:** Families pay significantly more out of pocket in Oregon than they do in neighboring states, reflecting in part Oregon’s historically lower level of state support for public higher education
- Ultimately, the confluence of many of these factors results in a **mixed picture of institutional health in Oregon**

Our analysis considers role, students served, program offering, outcomes, and value

Institutional mission considerations



What is the institution's role in OR's HE ecosystem?

- What functions or responsibilities does the institution hold within Oregon's higher education ecosystem?
- What is the institution's role within its community and region?



Who is the institution serving?

- What audiences are institutions serving (e.g., income, race / ethnicity, age / entry point, resident status, geography, etc.)? How do their needs vary?



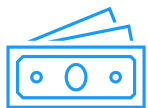
What areas of study are institutions focused on?

- What areas of study are institutions focused on and uniquely specialized in? Research areas?



What outcomes are students achieving?

- How successful are students in achieving desired outcomes (i.e., retention, graduation, transferring)?



What value do students receive?

- How much do students and families pay out of pocket?

Oregon's institutions fulfill a range of purposes, varying in academic breadth and depth, and geographic access

Role		Student profile		Areas of study	Outcomes	Value
Institution type		Description			Institutions	
Colleges		Community colleges		- Open-access, 2-year institutions focused on affordable local access, dual credit opportunities, and transfer pathways to 4-years (as well as bachelor's degrees at select institutions / programs) - Providers of key workforce and career-technical training aligned to regional employer needs - Array of services include short-term and noncredit workforce education, customized employer training, GED / ESOL / adult basic skills, continuing education, etc.	All 17 public community colleges in the state	
		Regional		Focused on undergraduate education, regional access, and workforce preparation, helping meet the educational and economic needs of communities across diverse geographic regions	- Southern Oregon University - Western Oregon University - Eastern Oregon University (rural)	
Universities		Specialized / technical		Focused on highly technical and professional disciplines that address critical statewide workforce, research, and service needs (e.g., healthcare, engineering, and applied technology)	- Oregon Institute of Technology (polytechnic) – Oregon Institute of Technology – Portland-Metro (branch) - Oregon Health & Science University (academic health center; public corporation)	
			Urban research	Serves distinct urban access mission, combining traditional higher education pathways for job access with workforce advancement, lifelong learning opportunities, and public impact research	Portland State University (urban research; R2)	
			R1s	Flagship research institutions combining broad academic portfolios with significant research and graduate education activity, contributing to statewide innovation, talent development, and economic competitiveness	- Oregon State University (land grant; R1) – Oregon State University – Cascades (branch) - University of Oregon (R1) – University of Oregon – Portland (branch)	

All institutions serve as a major source of employment in their locality and also provide community and economic development services, varying in scope and focus by institution type and region

Oregon's public universities and colleges by region

Role

Student profile

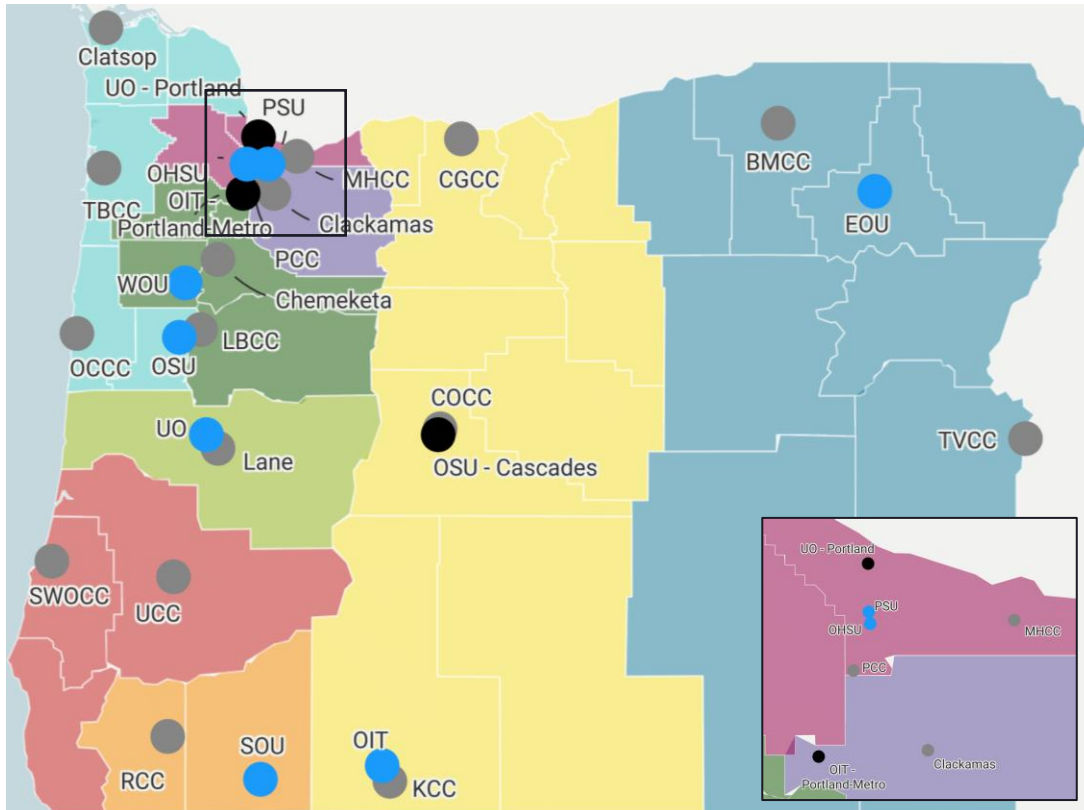
Areas of study

Outcomes

Value

Oregon public universities and colleges

● Universities ● Branch Campus ● Colleges
 ■ Clackamas ■ East Cascades ■ Eastern
 ■ Lane ■ Northwest ■ Rogue ■ Southwestern ■ Worksystems ■ Willamette

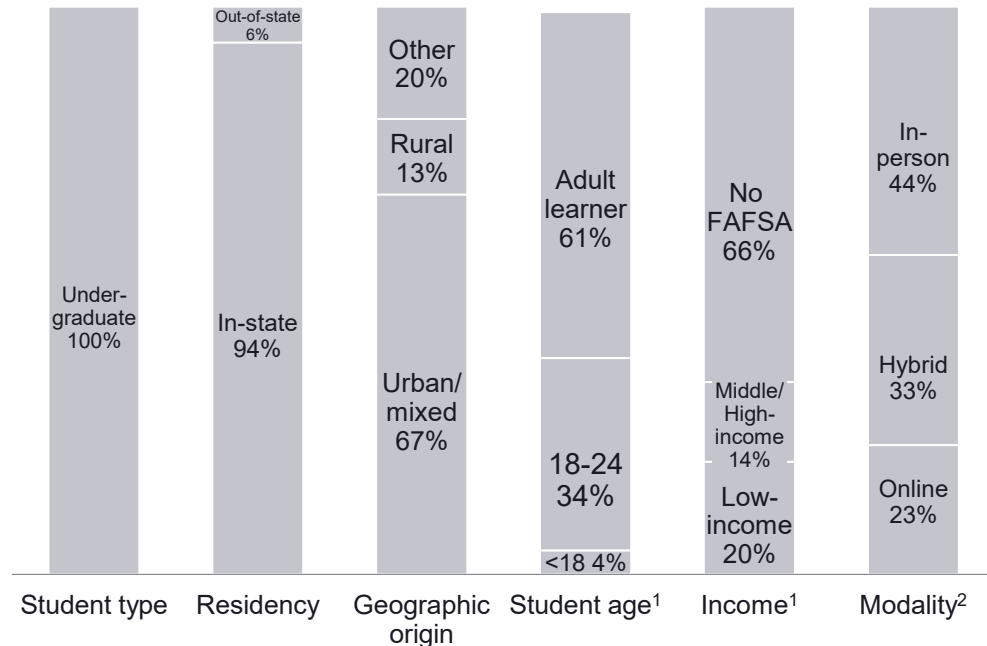


Region (local workforce areas)	Institution Type	Institution
Worksystems	Research	Portland State University
	Specialized	Oregon Health & Science University
	<i>Research (branch)</i>	UO – Portland
	Community College	Mt Hood CC
	Community College	Portland CC
Clackamas	<i>Specialized (branch)</i>	OIT – Portland-Metro
	Community College	Clackamas CC
Northwest	Research	Oregon State University
	Community College	Clatsop CC
	Community College	Tillamook Bay CC
Willamette	Community College	Oregon Coast CC
	Regional	Western Oregon University
	Community College	Chemeketa CC
Lane	Community College	Linn-Benton CC
	Research	University of Oregon
Southwestern	Community College	Lane CC
	Community College	Umpqua CC
	Community College	Southwestern Oregon CC
Rogue	Regional	Southern Oregon University
	Community College	Rogue CC
East Cascades	<i>Research (branch)</i>	OSU – Cascades
	Specialized	Oregon Institute of Technology
	Community College	Central Oregon CC
	Community College	Klamath CC
	Community College	Columbia Gorge CC
Eastern	Regional	Eastern Oregon University
	Community College	Treasure Valley CC
	Community College	Blue Mountain CC

Student demographics, geography, age profile, and modality: community colleges and regional universities

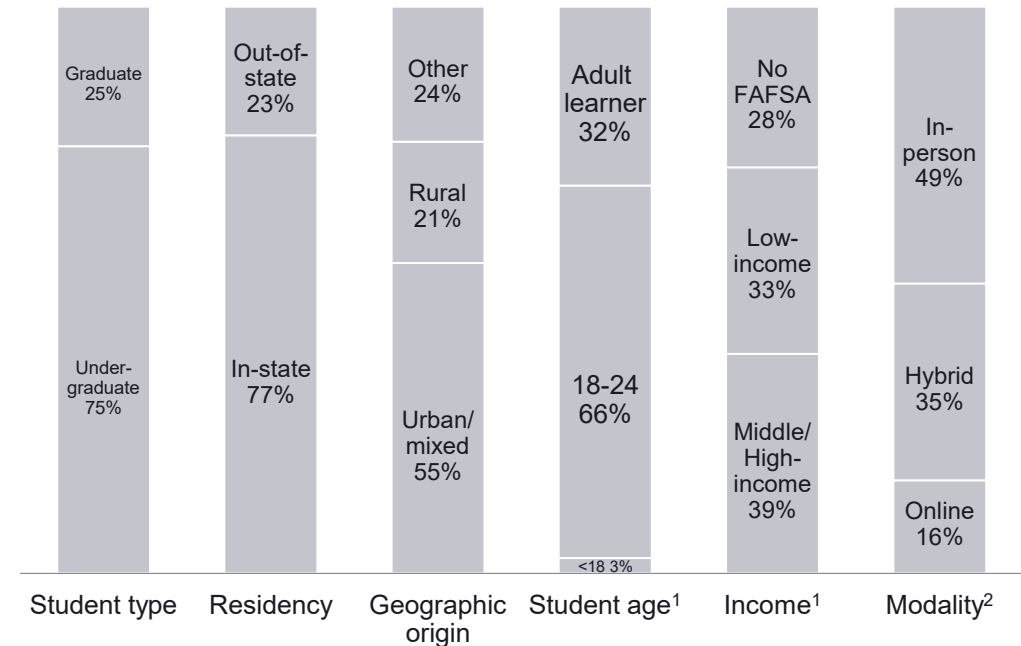
Role	Student profile	Areas of study	Outcomes	Value
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Community college demographics



- **Provide local access by serving mainly in-state students and adult learner populations** (at much higher rates than universities)
- Primarily enroll students **in-person with higher part-time enrollment levels**
- Primarily enroll students whose **geographic origin reflects the institution's region** (e.g., urban, rural)
- Generally enroll a **greater share of Hispanic students than universities**, with most colleges above ~20% Hispanic enrollment

Regional university demographics

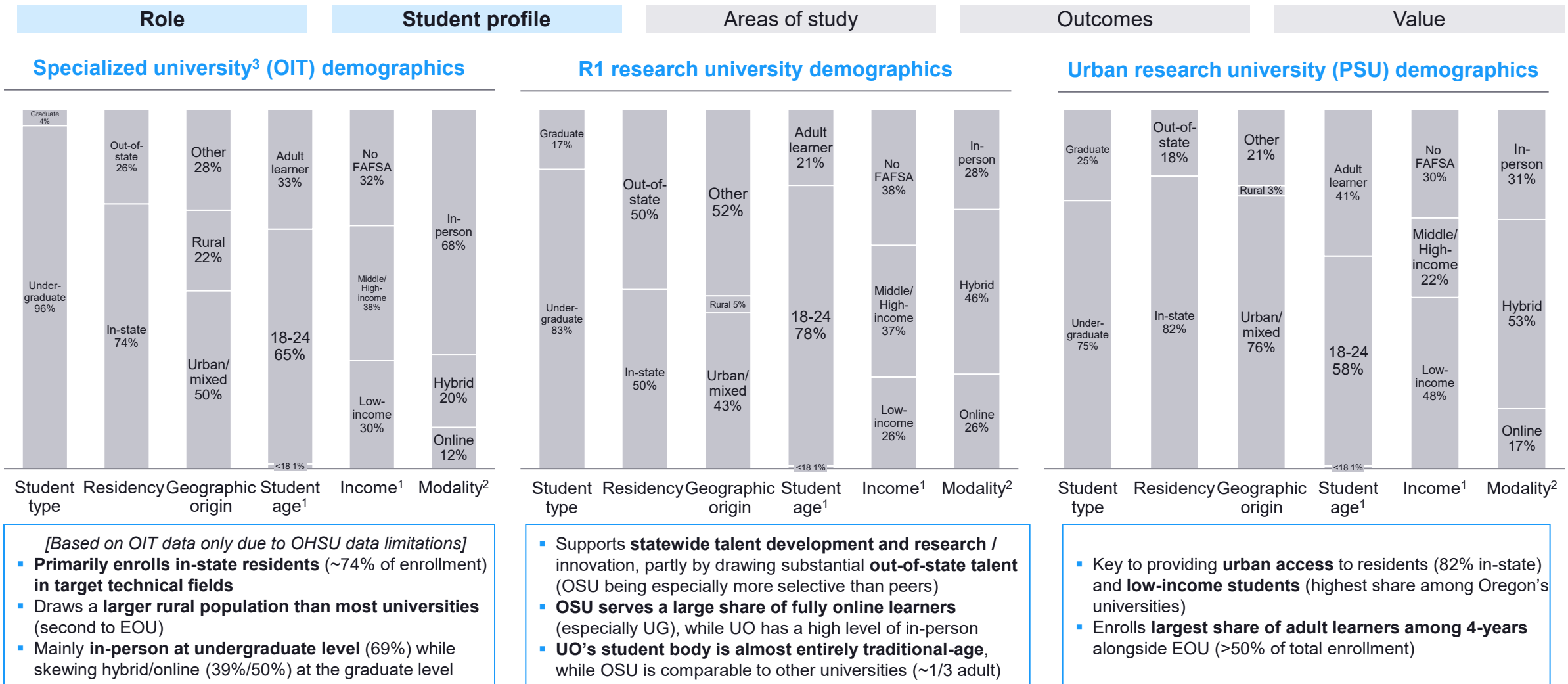


- **Primarily serve in-state residents (~70-87% of enrollment) and enroll higher shares of low-income students and rural students** than the R1s
- **EOU and SOU serve high shares of adult learners (~50% of all students)**, but **WOU retains a slightly more traditional-age profile**
- **EOU enrolls high shares of exclusively online students** in both undergraduate (~40%) and graduate (~80%); **SOU and WOU are mixed**, with relatively high in-person rates for undergraduate but emphasis on online/hybrid for graduate

1. Based on undergraduate students with available reported data, excluding those in "unknown" category. Student age and income data for public universities reflect undergraduate data only while other demographic categories shown reflect graduate and undergraduate data.

2. Modality data is derived from IPEDS and is shown for the undergraduate population only for community colleges and regional universities. "Online" = student is enrolled in distance education (remote) only, "Hybrid" = student enrolled in some mix of remote and in-person courses, "In-person" = student with no distance education.

Student demographics, geography, age profile, and modality: specialized and research institutions

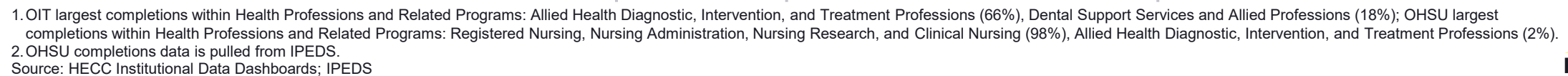


1. Based on undergraduate students with available reported data, excluding those in "unknown" category. Student age and income data for public universities reflect undergraduate data only while other demographic categories shown reflect graduate and undergraduate data.

2. Modality data is derived from IPEDS and is shown for both the undergraduate/graduate populations for OIT, R1s, and PSU. "Online" = student is enrolled in distance education (remote) only, "Hybrid" = student enrolled in some mix of remote and in-person courses, "In-person" = student with no distance education.

3. OIT data only, as OHSU data is limited.

Source: HECC Institutional Data Dashboards; IPEDS; EY-Parthenon analysis

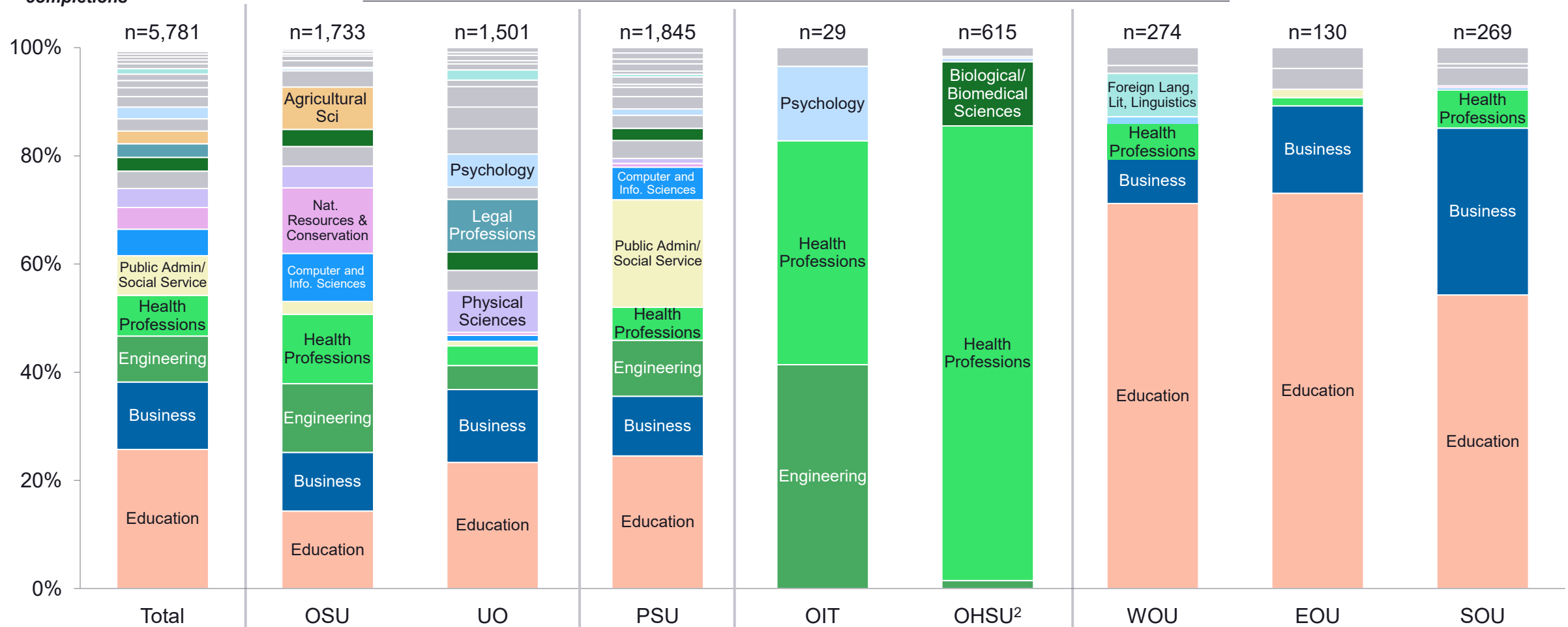


Key areas of post-baccalaureate focus for most universities include education, business, engineering, and health professions

Role	Student profile	Areas of study	Outcomes	Value
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Total post-baccalaureate completions

Total post-baccalaureate completions¹ by program area, by 4-year institution (FY25)



1. Post-baccalaureate completions include master's degrees, doctoral degrees, and post-baccalaureate certificates.

2. OHSU completions data is pulled from IPEDS.

Source: HECC Institutional Data Dashboards; IPEDS

Universities with greater research activity have distinct areas of research emphasis

Role

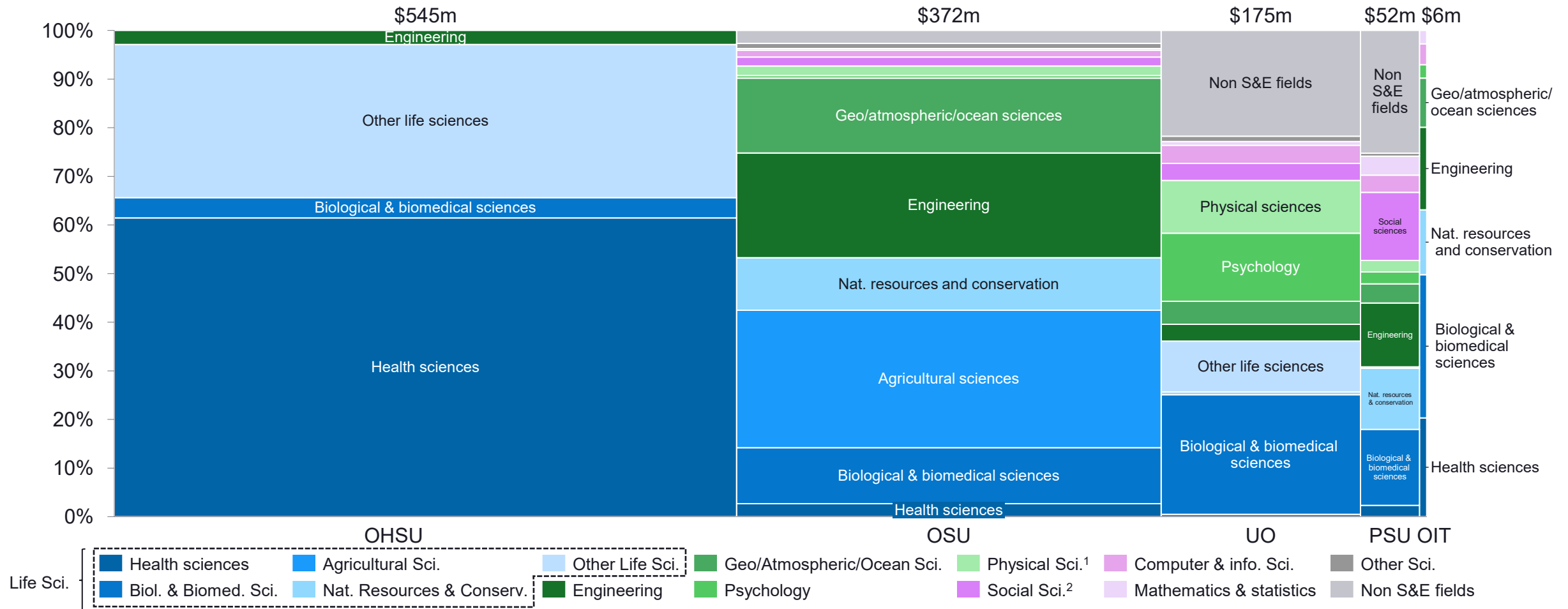
Student profile

Areas of study

Outcomes

Value

R&D expenditures, by field of study (FY24)



1. Physical Sciences includes Chemistry, Astronomy and Astrophysics, Materials Science, and Other.

2. Social Sciences includes Sociology, Anthropology, Economics, and Political Science & Gov.

Source: National Center for Science and Engineering Statistics

Student outcomes vary widely across Oregon institutions, with completion rates ranging from ~40-70% among both universities and community colleges

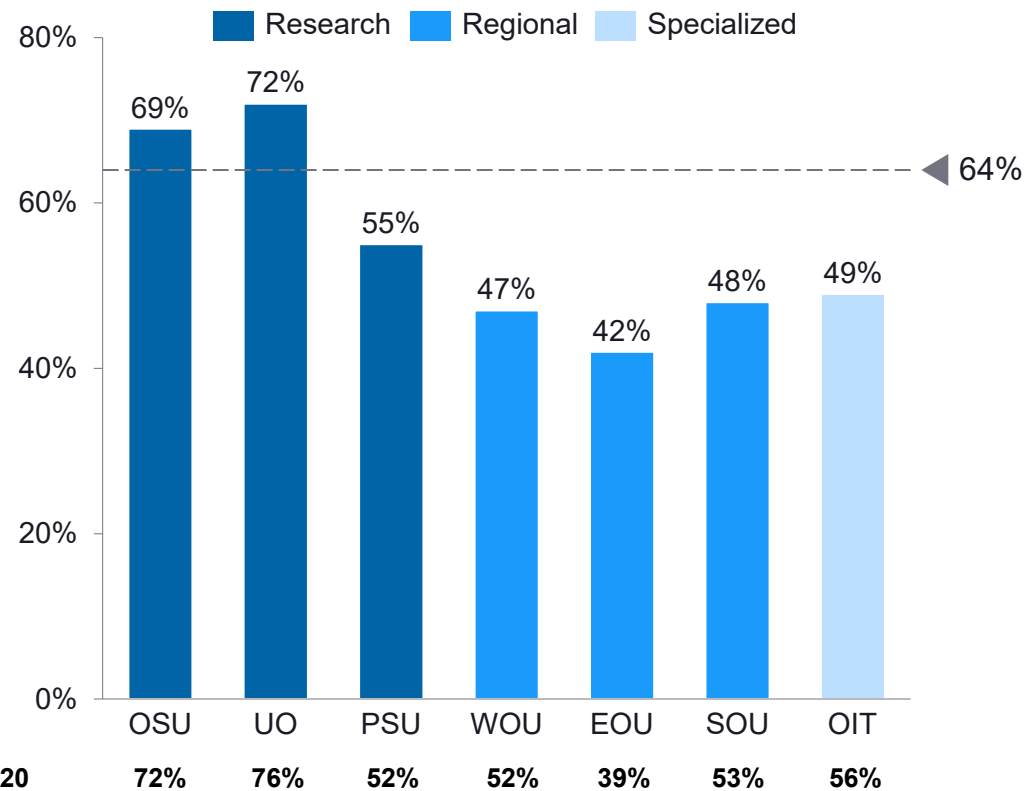
Role

Student profile

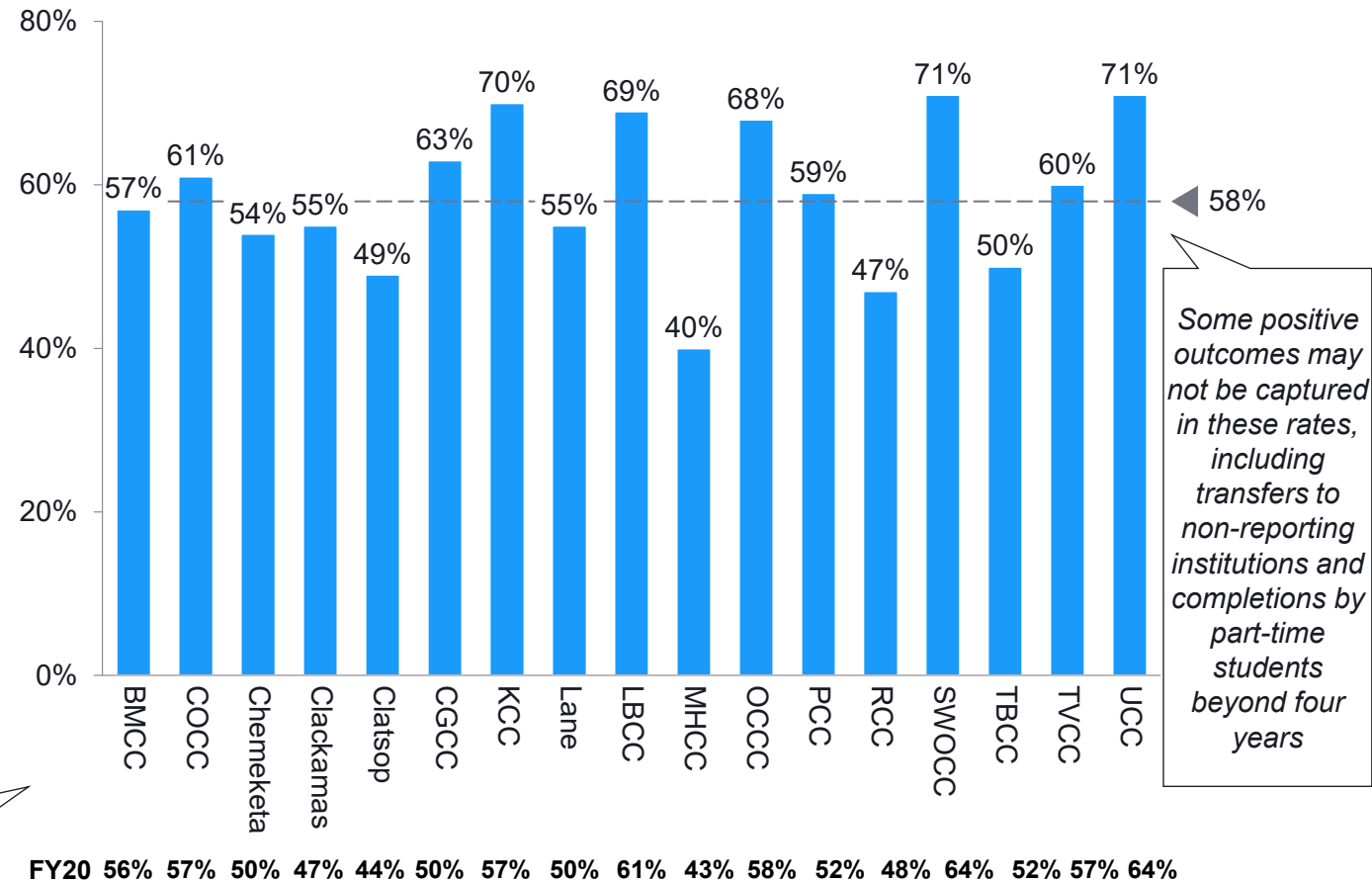
Areas of study

Outcomes

Value

Oregon 4-year public institutions: completion rates¹ (FY25)

When benchmarking OR vs. the nation using IPEDS data, Oregon's public universities appear to perform slightly above national averages on completion, while colleges lag the nation on completion/transfer outcomes

Oregon 2-year public institutions: completion/transfer rates² (FY25)

Some positive outcomes may not be captured in these rates, including transfers to non-reporting institutions and completions by part-time students beyond four years

1. Public university student completion rates represent the percentage of first-time, full-time freshmen who earned a bachelor's degree within six years at any public university.

2. Community college student completion rates represent the percentage of credential-seeking students who earned an associate degree, certificate, or transferred to a four-year university nationwide within four years.

While many student populations achieve completion rates above 60% at Oregon's public 4-years, disparities remain across demographic groups

Role

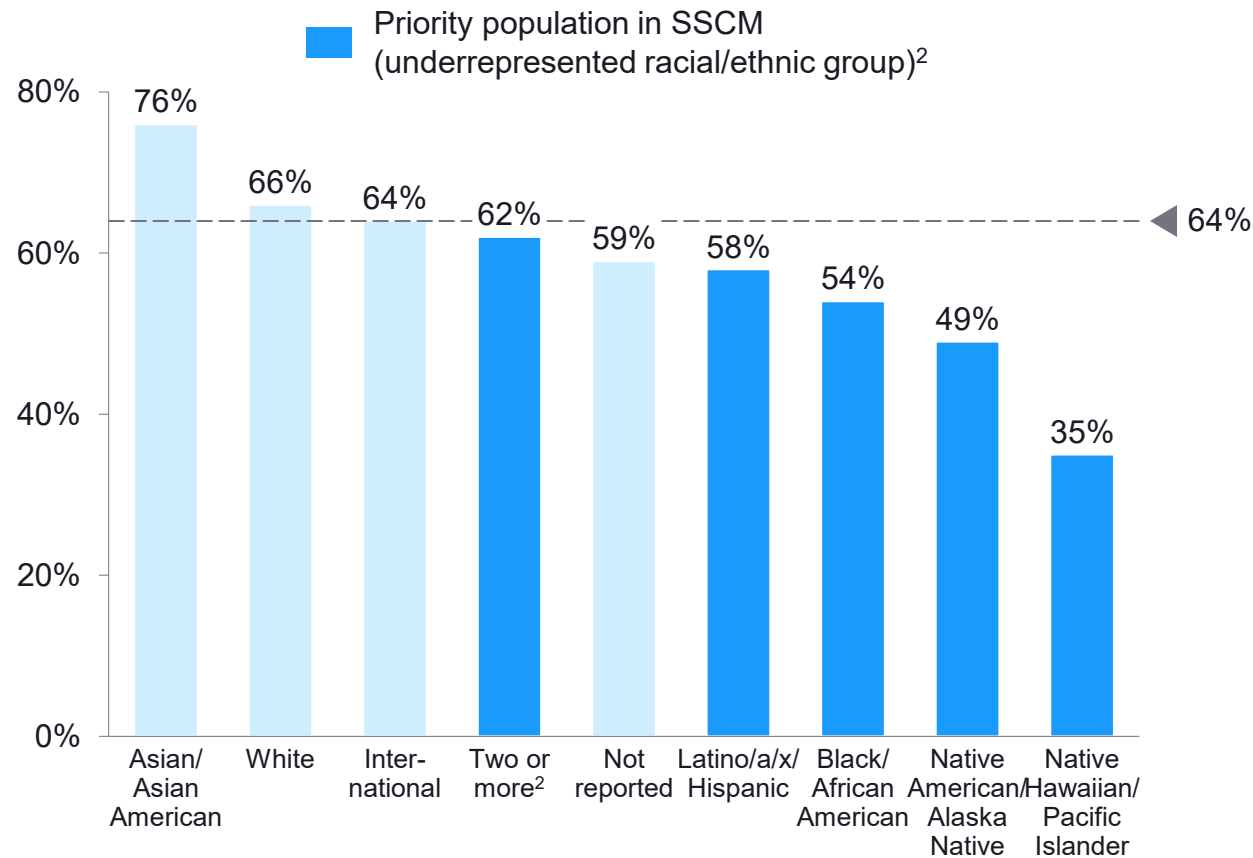
Student profile

Areas of study

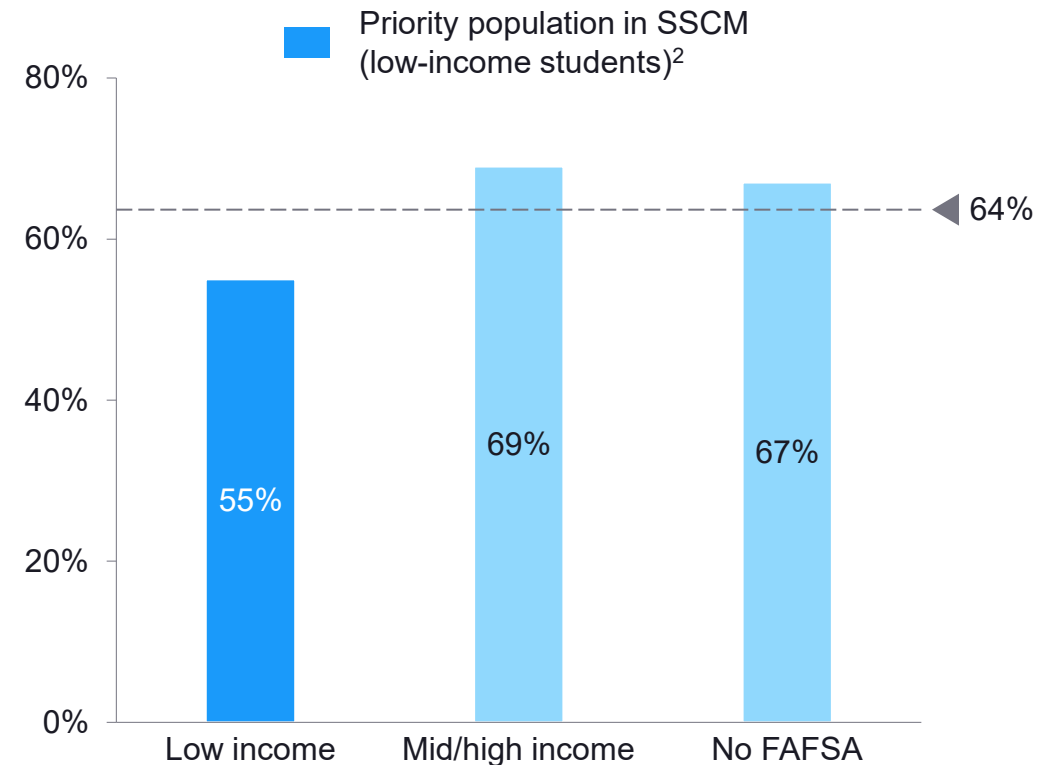
Outcomes

Value

OR 4-year public institutions: 6-year bachelor's completion rates by race/ethnicity¹ (FY25)



OR 4-year public institutions: 6-year bachelor's completion rates by income status¹ (FY25)



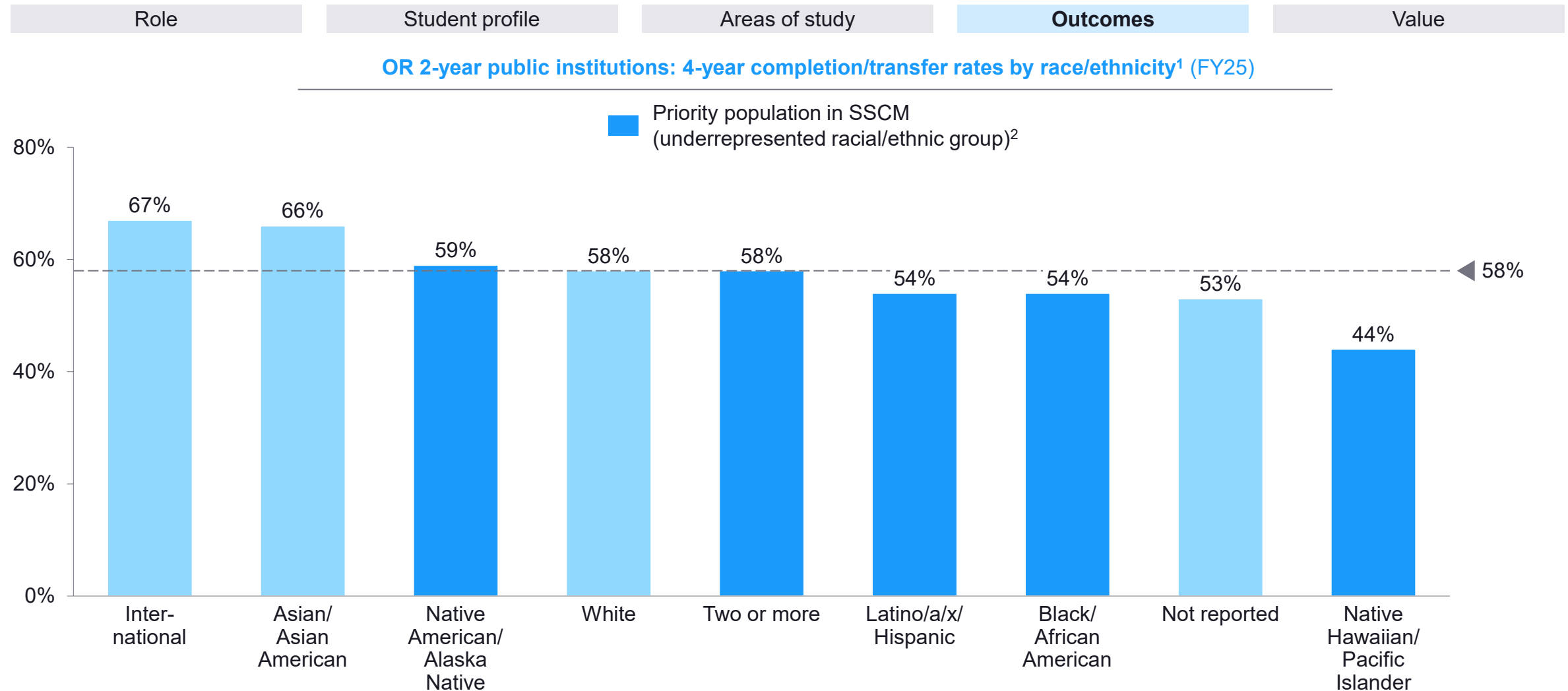
1. Public university student completion rates represent the percentage of first-time, full-time freshmen who earned a bachelor's degree within six years at any public university.

2. Priority populations as defined by the Student Success and Completion Model (SSCM) consist of undergraduate resident students that are part of any of the following populations: (1) Underrepresented Racial/Ethnic Groups;

(2) Low Income Students; (3) Rural students; and (4) Veterans; "Underrepresented Racial/Ethnic Group" consists of resident undergraduate students identified as American Indian/Alaskan Native, Hispanic, Pacific Islander, Black, African American or two or more races if one of those two or more races is one of those listed in this definition.

Source: HECC Institutional Data Dashboards

Oregon's public 2-year completion/transfer outcomes are strongest among international and Asian groups, and weakest for Native Hawaiian/Pacific Islander students



1. Community college student completion rates represent the percentage of credential-seeking students who earned an associate degree, certificate, or transferred to a four-year university nationwide within four years.

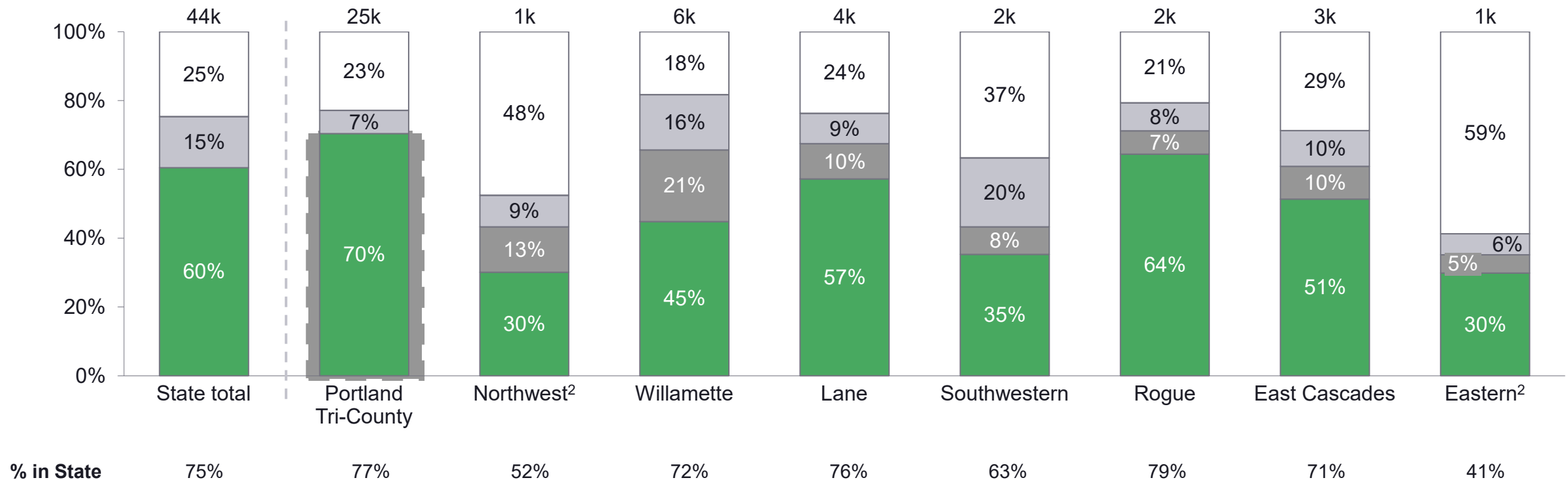
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Source: HECC Institutional Data Dashboards

Given the place-based mission and geographic distribution of community colleges, most students stay in-state and in their institution's region post-completion

Community college graduates living in Oregon by county¹, 2026

Left the state Other Oregon region Portland Tri-county Institution region



1. Based upon graduates from 2016-2021, as of August 2026.

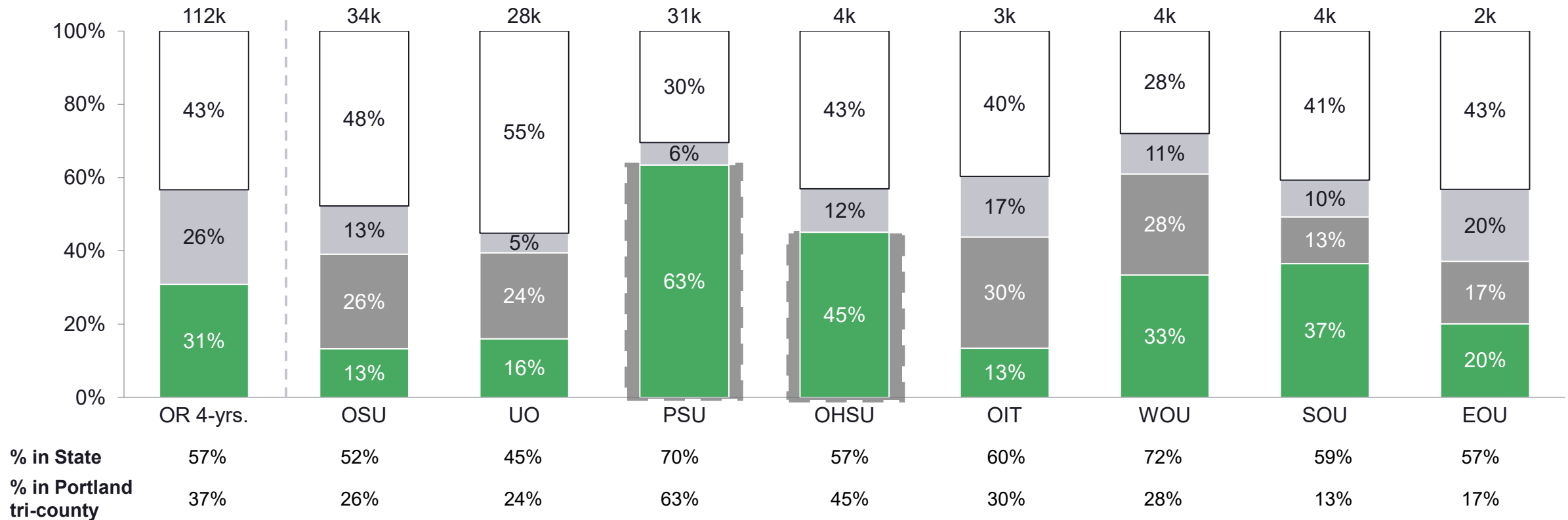
2. Over half of Treasure Valley profiles were indicated to be in Idaho; select employment destinations reflecting apparent data anomalies were excluded from the analysis.

Source: Lightcast

University students are highly transient with many leaving the state as well as the region for non-Portland-based institutions

University graduates living in Oregon by county¹, 2026

Left the state
 Other Oregon region
 Portland tri-county
 Institution region

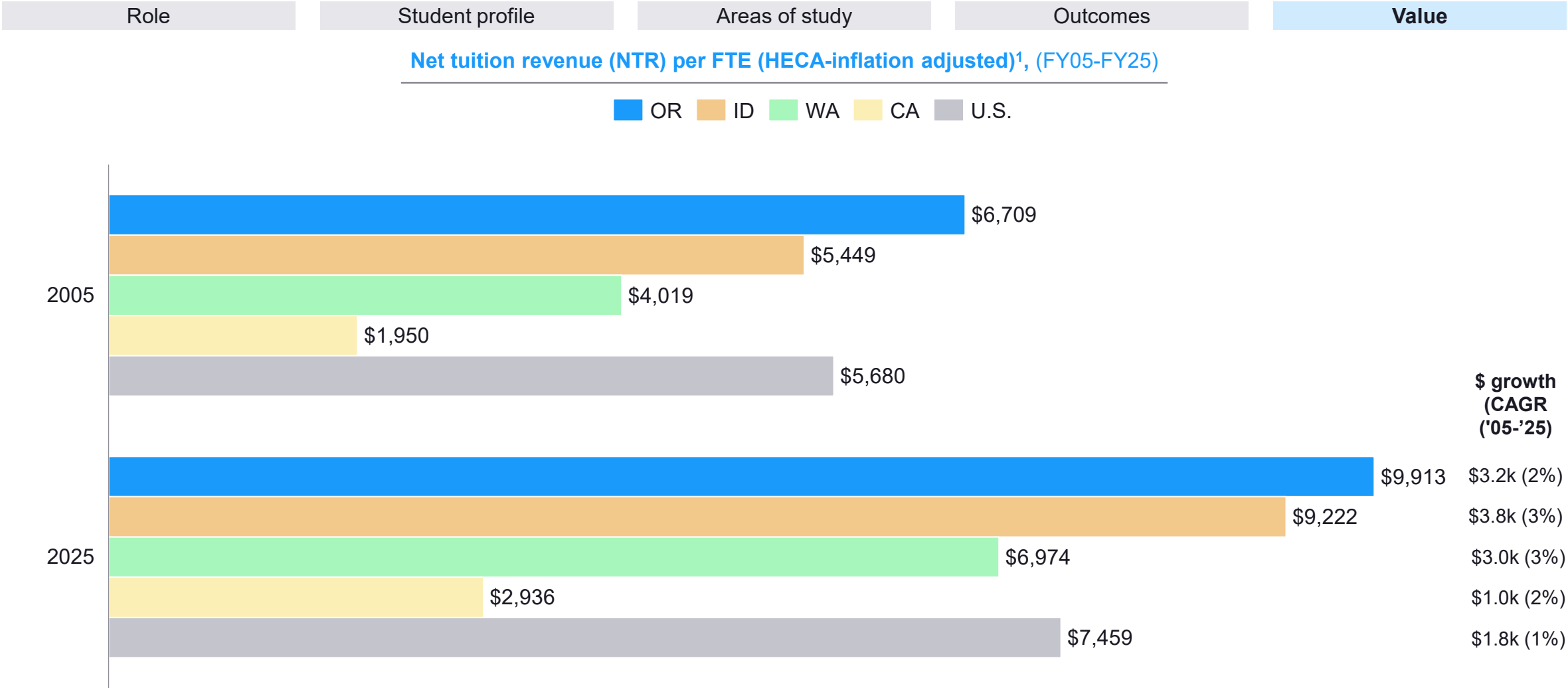


1. Based upon graduates from 2016-2021, as of August 2026.

2. Selection of school in Lightcast did not include Oregon State University-Cascades, but the data may include people who attended at the Cascades campus yet selected for their profile the general option for OSU instead of OSU-Cascades.

Source: Lightcast

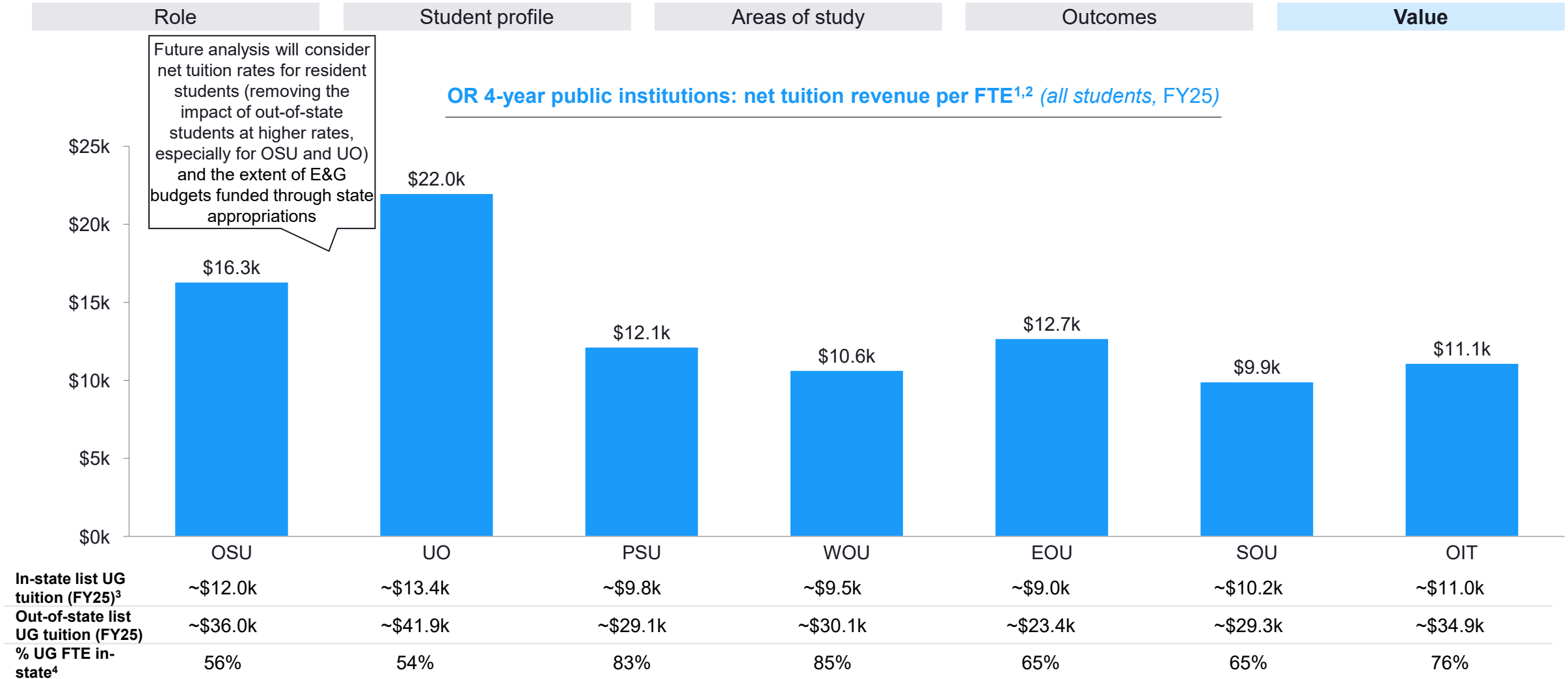
Net tuition revenue per FTE in Oregon is greater than peer states with higher levels of state funding



1. Net tuition & fee revenue per FTE (combined public 2- and 4-year), adjusted for cross-state comparability via SHEEO's Cost of Living (COLI) and Enrollment Mix (EMI) indices and inflation-adjusted to constant FY25 dollars using the Higher Education Cost Adjustment (HECA).

Source: SHEEO SHEF FY25 Report

Oregon's R1s derive considerably greater revenue from tuition on a per-FTE basis than regional or specialized universities, likely driven by out-of-state students



1. FTE counts used in chart calculations represent fall, four-week total FTE enrollment (Fall 2024).

2. To mirror calculations in prior HECC financial sustainability reports, net tuition is calculated as net tuition + gross fee revenue (E&G only) for all universities with the exception of University of Oregon, where the value shown is "net tuition" from the 2025 E&G Funding Survey. This

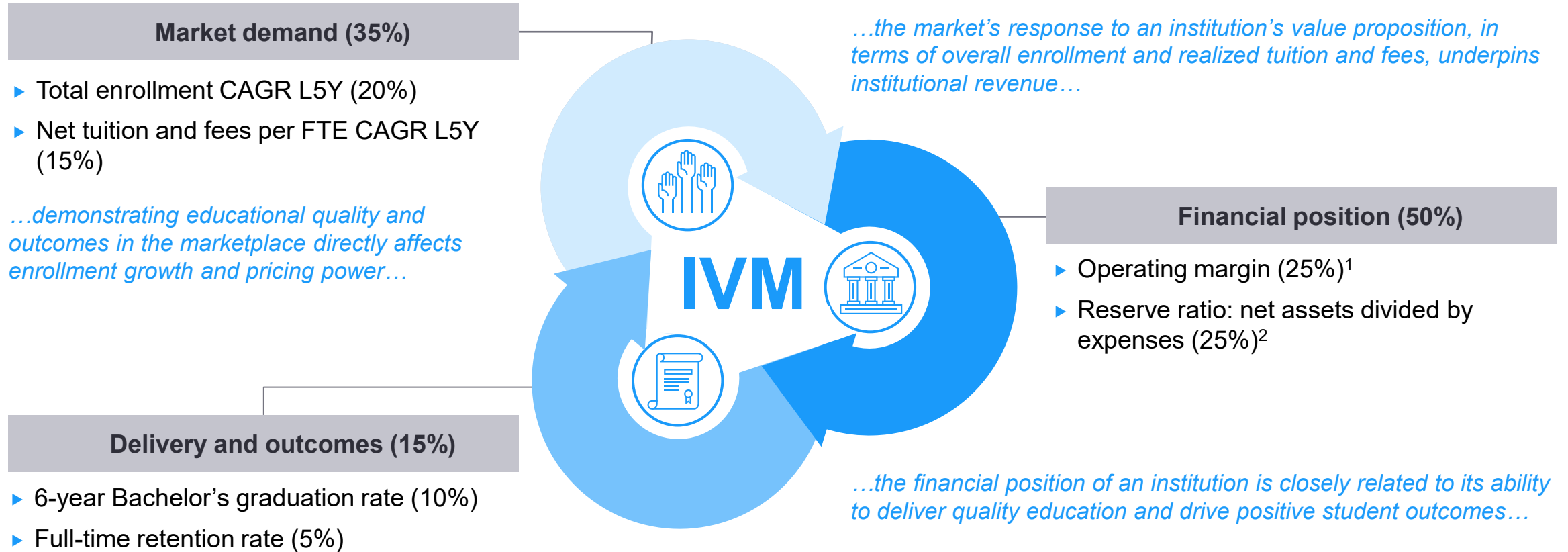
Source: HECC; NCES; Institution websites; EY-Parthenon analysis

calculation includes all students (residents, non-residents, graduate students, undergraduate students).

3. Based on 2024-25 data representing undergraduate credit load of 15 credits/term.

4. Percent of in-state undergraduate FTEs is drawn from HECC internal data on FTE enrollment.

We measure university risk through an Institutional Viability Metric (IVM) based on six indicators of holistic health



Total composite score

Each indicator is assessed and categorized as **at risk**, **monitor** or **stable**. Scores are given for each, and the weighted average is taken to assess an institution's overall score.

1. Operating margin is calculated as: (Total revenues - investment income + endowment spending for current use) / total expenses.

2. Scoring for for-profit institution's financial position is evaluated solely based on their profit margin (50%), with the reserve ratio excluded to reflect differences in their core operating model relative to public and private NFP institutions.

The confluence of these factors results in a mixed picture of health for Oregon's public universities

Institutional Viability Metric (IVM) scoring (2024)

	Overall IVM (2024)	Financial position (50%)		Market demand (35%)		Delivery & outcomes (15%)	
<i>Weighting</i>	Composite score (Weighted)	Operating margin (25%)	Reserve ratio (25%)	Total enrollment CAGR L5Y (20%)	Net tuition / fees per FTE ¹ CAGR L5Y (15%)	6 yr. Bachelor's graduation rate (10%)	Full-time retention rate (5%)
University #1	2.90	8.6%	1.3	1.6%	3.6%	72%	86%
University #2	2.75	11.6%	1.1	-1.2%	3.2%	43%	71%
University #3	2.65	12.0%	0.8	3.2%	1.8%	70%	88%
University #4	2.30	-4.8%	1.6	-0.1%	-0.3%	53%	69%
University #5	2.15	0.9%	0.9	-4.7%	-0.5%	53%	76%
University #6	1.95	12.9%	0.9	-5.5%	-1.6%	47%	73%
University #7	1.75	-5.2%	0.8	-3.4%	0.2%	43%	68%

Financial metrics reflect a single-year snapshot and may be especially influenced in certain years by the timing of accounting recognition for revenues and expenses

1. Enrollment and per-FTE metrics reflect IPEDS data, which includes dual-enrolled high school students who cannot be disaggregated from reported enrollment; changes in dual enrollment reporting over the period may affect trends.

Source: IPEDS; EY-Parthenon analysis

Stable

Monitor

At Risk

While community colleges often fare better on financial metrics, there is greater variation in enrollment

OR 2-year public institutions: institutional health metrics (FY24)

Institution	Financial performance	Financial liquidity	Enrollment & demand		Student outcomes
	Operating margin ¹	Current ratio	Enrollment growth 5yr. CAGR (headcount) ²	Enrollment growth 5yr. CAGR (FTE) ²	Graduation and transfer rates ³
College #1	16.8%	7.9	2%	3%	61%
College #2	17.5%	3.4	-4%	1%	69%
College #3	23.5%	3.4	-4%	0%	56%
College #4	19.9%	3.9	-2%	5%	49%
College #5	10.4%	4.1	-4%	0%	62%
College #6	16.3%	1.3	-4%	-2%	68%
College #7	13.7%	1.4	-1%	4%	65%
College #8	20.4%	2.3	-6%	-3%	56%
College #9	13.7%	2.9	-5%	-2%	59%
College #10	15.0%	1.7	-6%	-3%	66%
College #11	19.7%	3.3	-7%	-2%	53%
College #12	21.9%	1.1	-7%	-2%	58%
College #13	13.3%	2	-4%	0%	49%
College #14	12.7%	4.5	-8%	0%	51%
College #15	12.1%	2.3	-6%	-1%	50%
College #16	3.4%	1.3	-13%	-6%	36%
College #17	--	--	-3%	3%	56%

Financial metrics reflect a single-year snapshot and may be especially influenced certain years by accounting revenue/expense recognition impacts

Overall community college headcount grew ~5% since FY24, with a total CAGR of approximately -4% since FY19 (pre-pandemic) rather than the overall -5% through FY24 (as reflected here)

1. Operating margin values are drawn from HECC's Financial Sustainability of Oregon Community Colleges 2025 Report.

2. 5-year enrollment CAGR compares FY24 enrollment to FY19 enrollment.

3. Graduation/transfer rates vary slightly from those previously shown given difference in year (FY24 vs. FY25) for comparability/consistency across all metrics.

Source: HECC Institutional Data Dashboards; HECC Financial Sustainability of Oregon Community Colleges report; HECC Community College Financial Statement Analysis

Top quartile CC on metric

Bottom quartile CC on metric

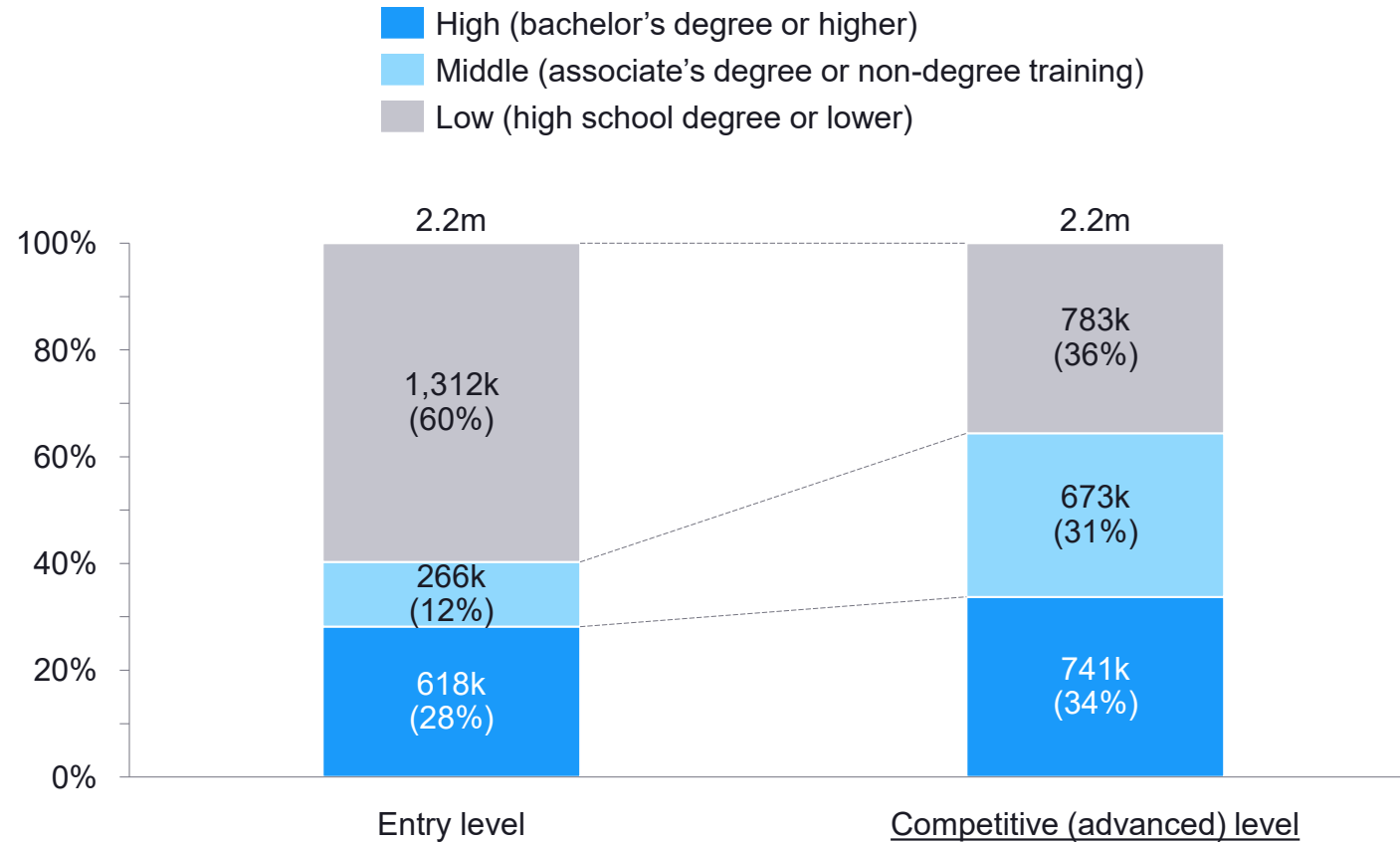
Chapter 3: Summary

Chapter 3 focuses on the relationship between higher education and the state's economy

- **Importance of Higher Education:** Of the 2.2m jobs in Oregon, 40% of them require higher education at the entry level. To advance beyond the entry level, ~65% of jobs require higher education. And when you consider the subset of job categories where the median wage is a living wage or more, approximately 95% of jobs require higher education
- **And Oregon is not producing enough graduates for the jobs in the state.** Oregon (including its private institutions) only produces about ~52k graduates a year, well under the ~78k new jobs that open a year. While this analysis is both directional and conservative, it deviates significantly from the trend at a national level
 - Shortfalls are prevalent at both the middle- and high-skills levels, and vary in acuity by field and occupation
- **The situation is likely to worsen.** Oregon population growth has flattened in recent years, and in-migration has decreased. Long-term demographic challenges are likely to put pressure on undergraduate enrollments

Of Oregon's 2.2m jobs, 40% of them are in occupations that require postsecondary education to enter, while 64% are in occupations that require it for advancement

Jobs by level and education (2024)^{1,2}



This is especially true for jobs that pay a **living wage or above**.

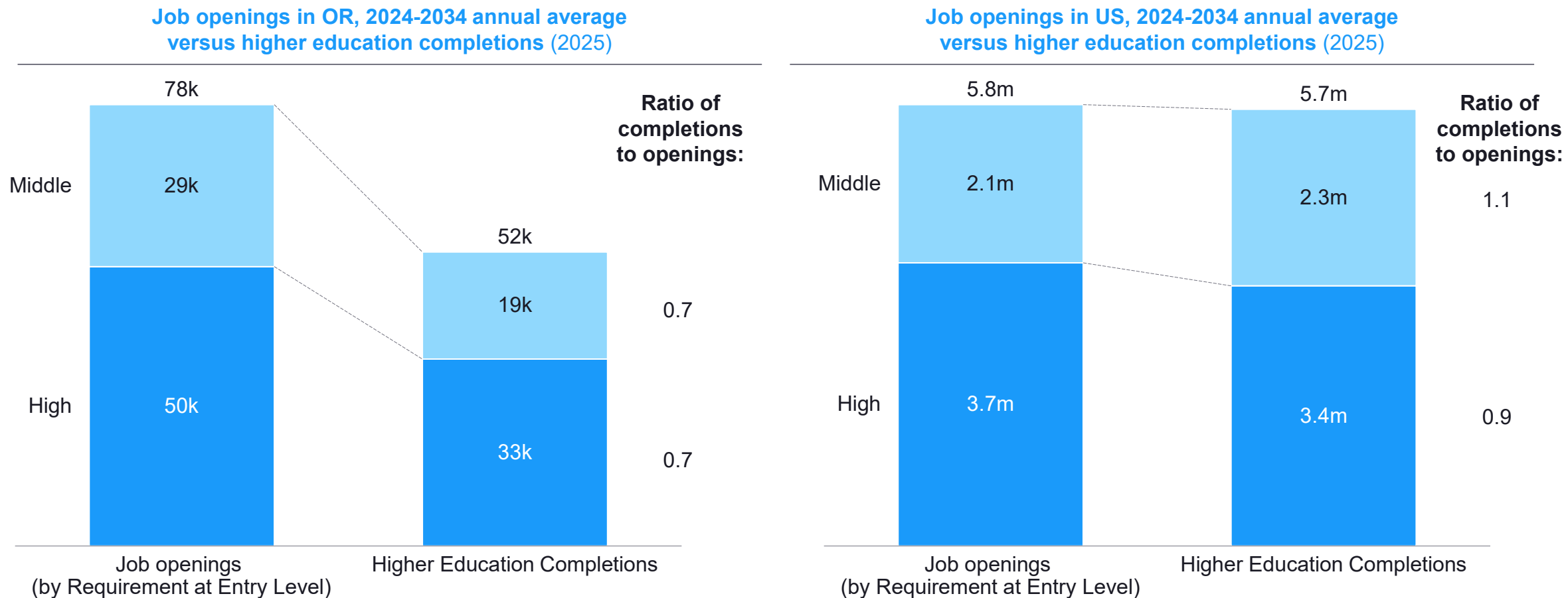
For jobs in categories where the median wage is a living wage and above, **~95% require higher education for advancement beyond the entry level**

1. OED and US BLS average annual openings, 2024-2034. OED suppressed data filled via analysis of Lightcast data. Missing wage data filled with Lightcast data where possible, but gaps remain for 1-2% of state's jobs. Results were projected up to 100% totals to cover those gaps. MIT Living Wage Calculator generates an annual living wage of \$55,037 for 1 adult with no children in Oregon.

2. Entry-level: Education OED expects employers across the state to require in order for an applicant to submit their résumé. Competitive: Education potential workers may need in order to compete with workers across the state who are already in a given career. Definitions from HECC Future Ready Oregon Healthcare Industry Consortium, "High-Skill, High-Wage, High-Demand, Healthcare Occupation Profiles", June 2025.

Source: OED and US BLS average annual openings, 2024-2034; Lightcast; MIT Living Wage Calculator; EY-Parthenon analysis

Oregon only produces ~52k graduates a year, well under the 78k jobs that open annually that require some level of higher education



We acknowledge that all jobs that open annually are not entry level jobs nor would they be filled by new college graduates. This represents a conservative estimate, as the reality is that these job openings are likely to be a mix of entry and competitive jobs, and competitive jobs require even more higher education

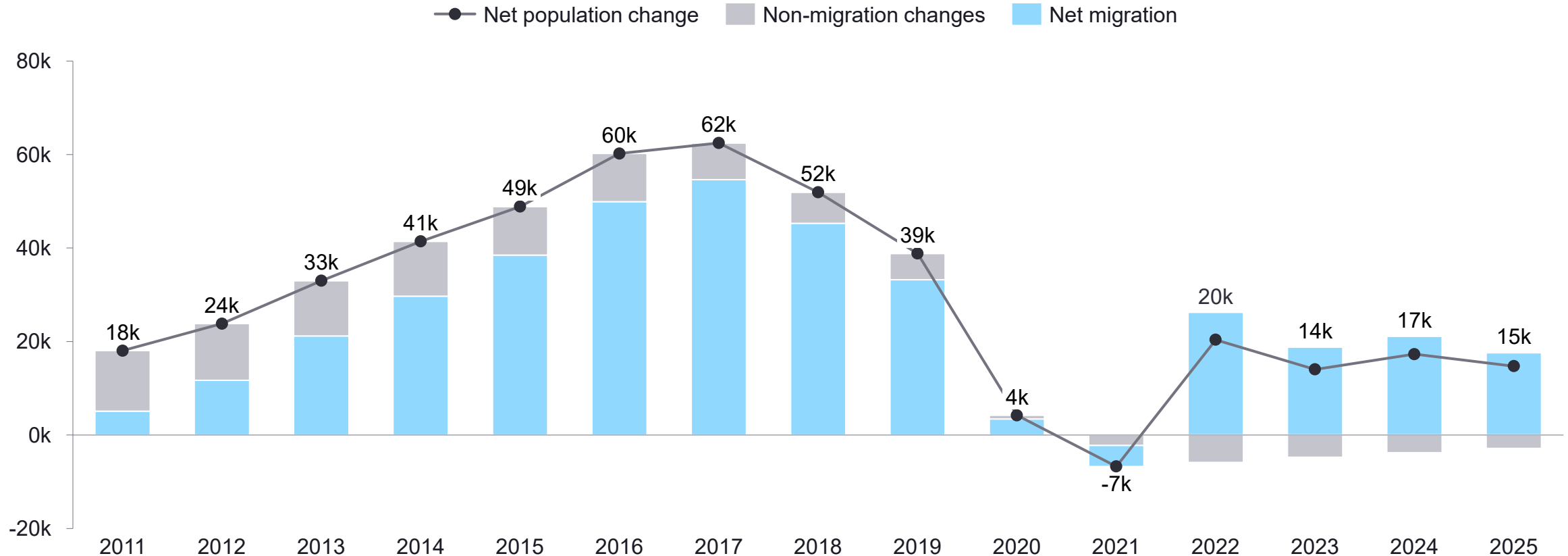
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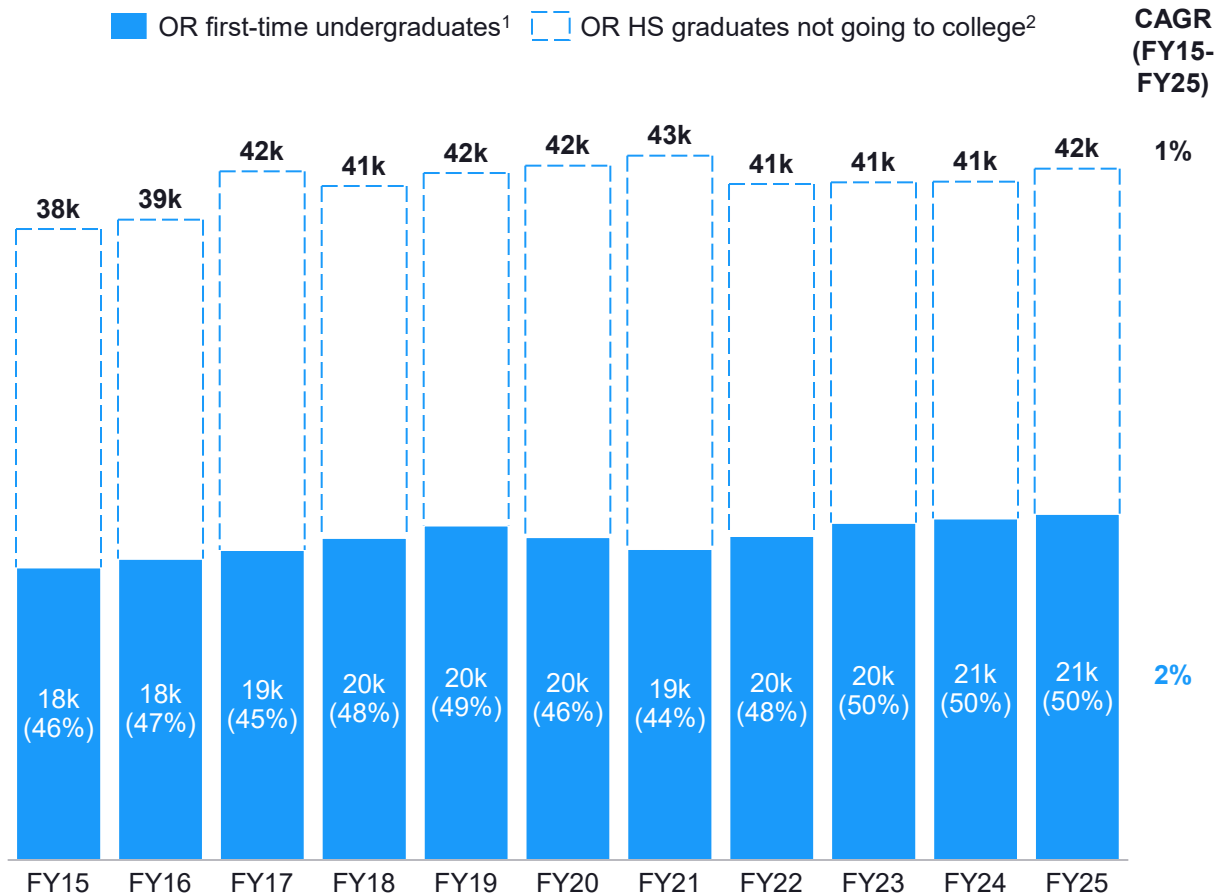
Oregon annual population growth has flattened to a level below that of the 2010's due to both a reversal in natural population growth and a decline in net migration

Oregon annual population change by contribution source (2010-2025)

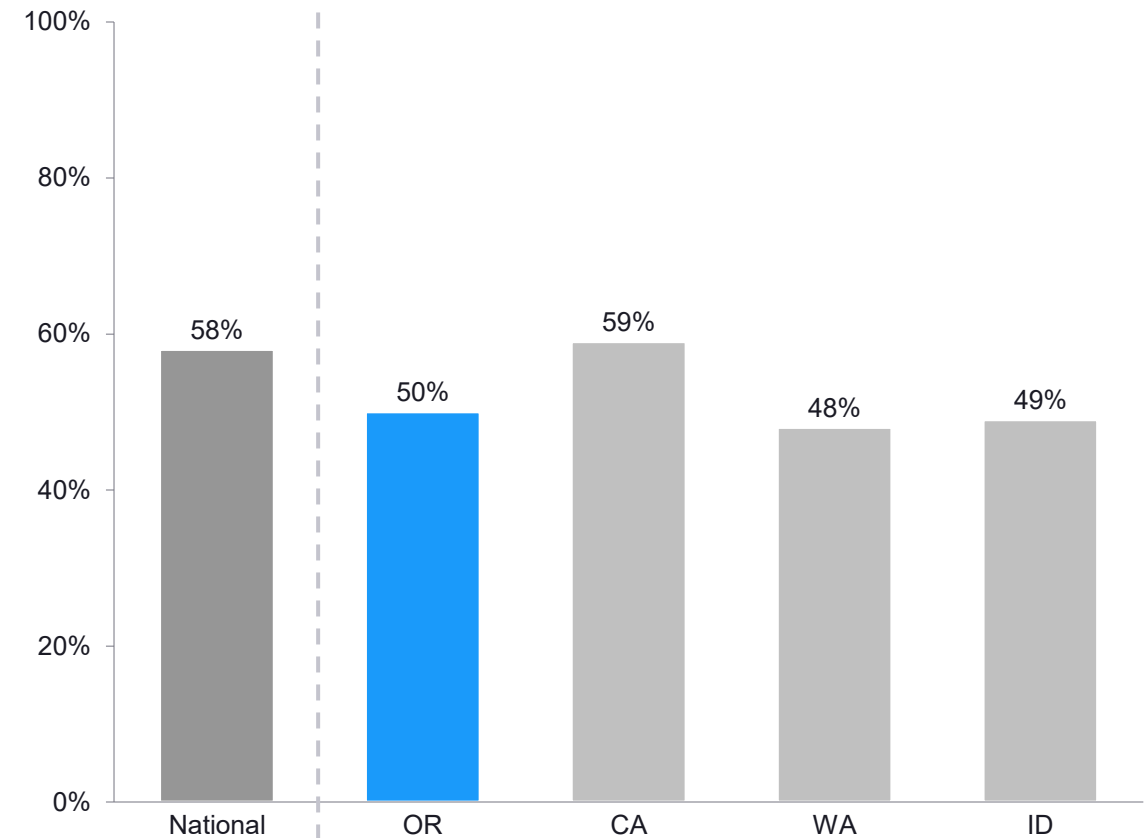


While the number of college-going high school graduates has increased over the decade, college-going rates are still lower than that of the nation

OR high school graduates by college-going status (FY15-FY25)



College going rate by state vs. national (FY25)



1. Includes first-time degree/certificate-seeking undergraduate students who graduated from high school in the past 12 months enrolled in U.S., Title IV, degree-granting institutions

2. High school graduates reported by WICHE. FY15-FY23 figures are historical actuals; FY24 figures are WICHE projections.

Source: IPEDS; NCES; WICHE; EY Parthenon analysis

Long-term Oregon demographic challenges are also likely to put pressure on UG enrollments; however, the population of non-traditional-age students will grow

Oregon population growth by age group (2025-45F; 2025 = 1.0)

