

HOUSE COMMITTEE ON EDUCATION HEARING ON HIGHER EDUCATION FUNDING

Oregon Community College Association

June 1st, 2021

Community Colleges: Oregon's Road to Economic Recovery

- ▶ Putting Oregonians **back to work**
 - ▶ Short-term programs = **fast re-entry** into workforce
 - ▶ Colleges are **nimble** & can **react quickly** to employer & job-seeker needs
- ▶ **Partner** with business/industry for work-ready employees



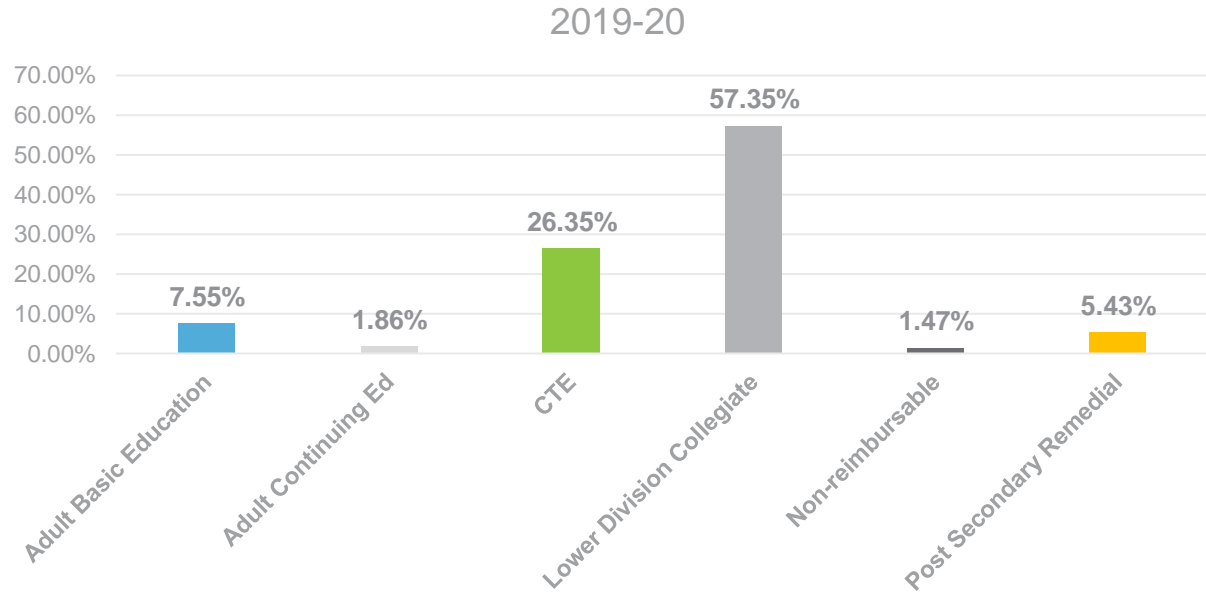
Community Colleges: Oregon's Road to Economic Recovery

- ▶ Community colleges serve the communities most affected by pandemic
 - ▶ CCs serve more **systemically-marginalized students** than any other sector of higher ed
 - ▶ CCs serve students **regardless of education & skill level** – primary access point to **economic opportunity**

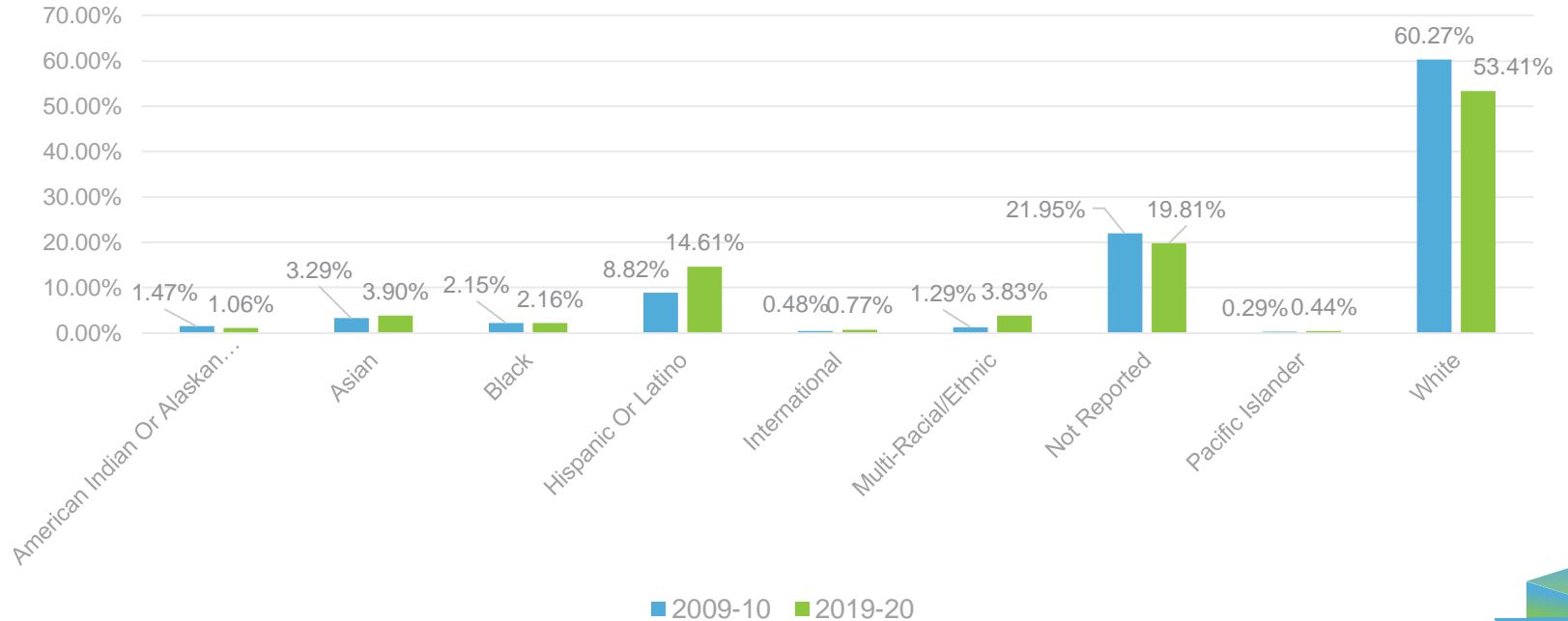


Multiple Missions of Community Colleges

NOTE:
Enrollments
dropped
significantly in
2020-21 with
COVID-19



Changing Student Demographics

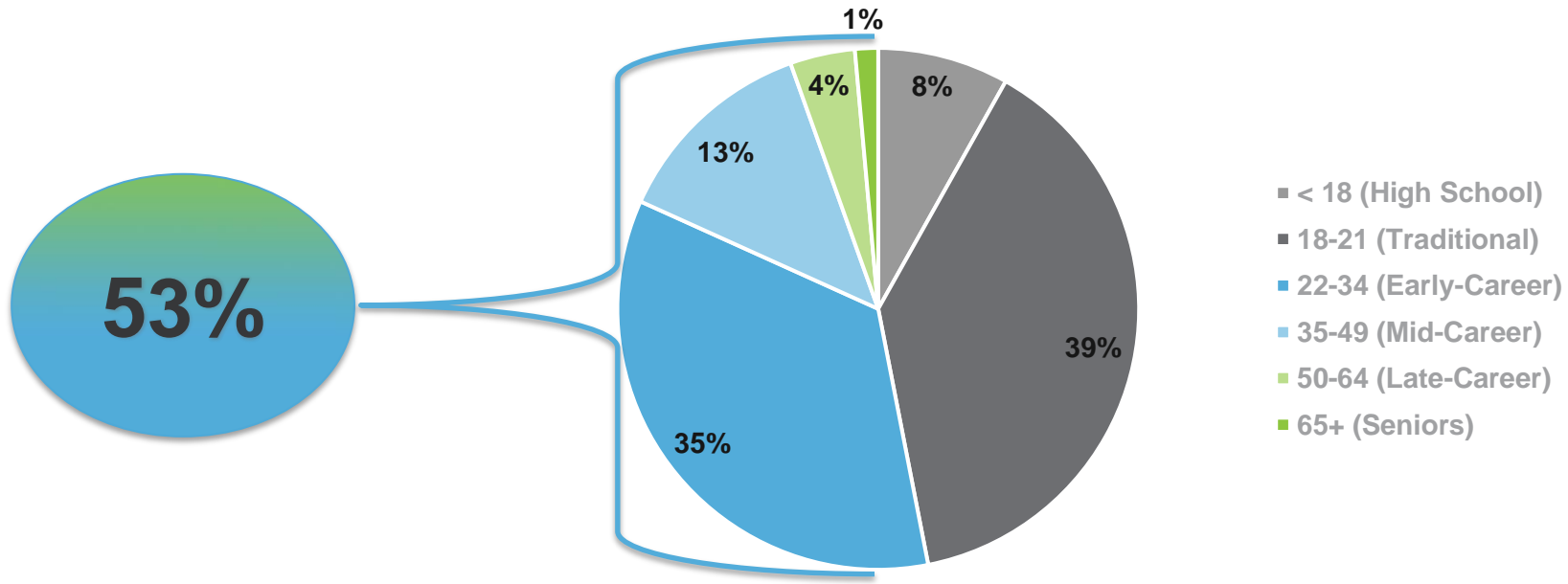


Student-Ready Colleges

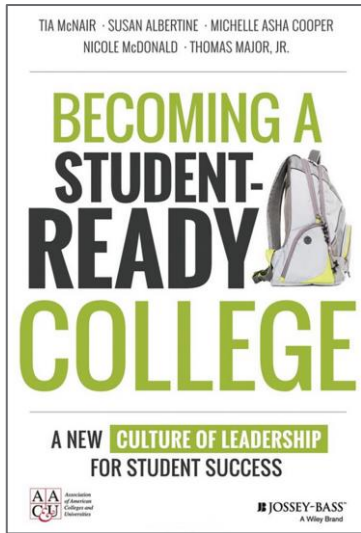


Majority of Community College Students Don't Enroll Directly from High School

2019-20



Sharpening the Focus on Students



- ▶ Guided Pathways
- ▶ Multiple Measures for Placement
- ▶ Math Pathways
 - ▶ College Algebra
 - ▶ Statistics
 - ▶ Quantitative Reasoning
- ▶ Pathways to Opportunity (SNAP/STEP)
- ▶ Corequisite Math Courses
- ▶ Professional Development for Culturally Relevant, Active, Engaged Pedagogy for Faculty
- ▶ Career Pathways

Advancing Racial Equity & Economic Mobility



42% of Oregon's college students face college expenses that exceed their sources of support, including financial aid and income. Rates are higher for students of color. (HECC)

BENEFIT	FUNDING FOR YEAR (AVERAGE)
SNAP (Food Benefits)	\$2,917
STEP: Gap funding tuition/fees one term, books, transportation ongoing	\$3,450
EITC (average)	\$2,137
TOTAL Benefits:	\$8,504
ERDC (daycare if also working 20 hrs./week)	\$14,400
TOTAL Benefits with childcare:	\$22,904
<i>Note: SNAP, EITC, and ERDC benefits vary based on household size and income</i>	

Students Face Food & Housing Insecurity

Represents 8,100 students from 14 Oregon community colleges in Fall 2019

41%

Reported being food insecure in the prior 30 days

20%

Reported being homeless in the previous year

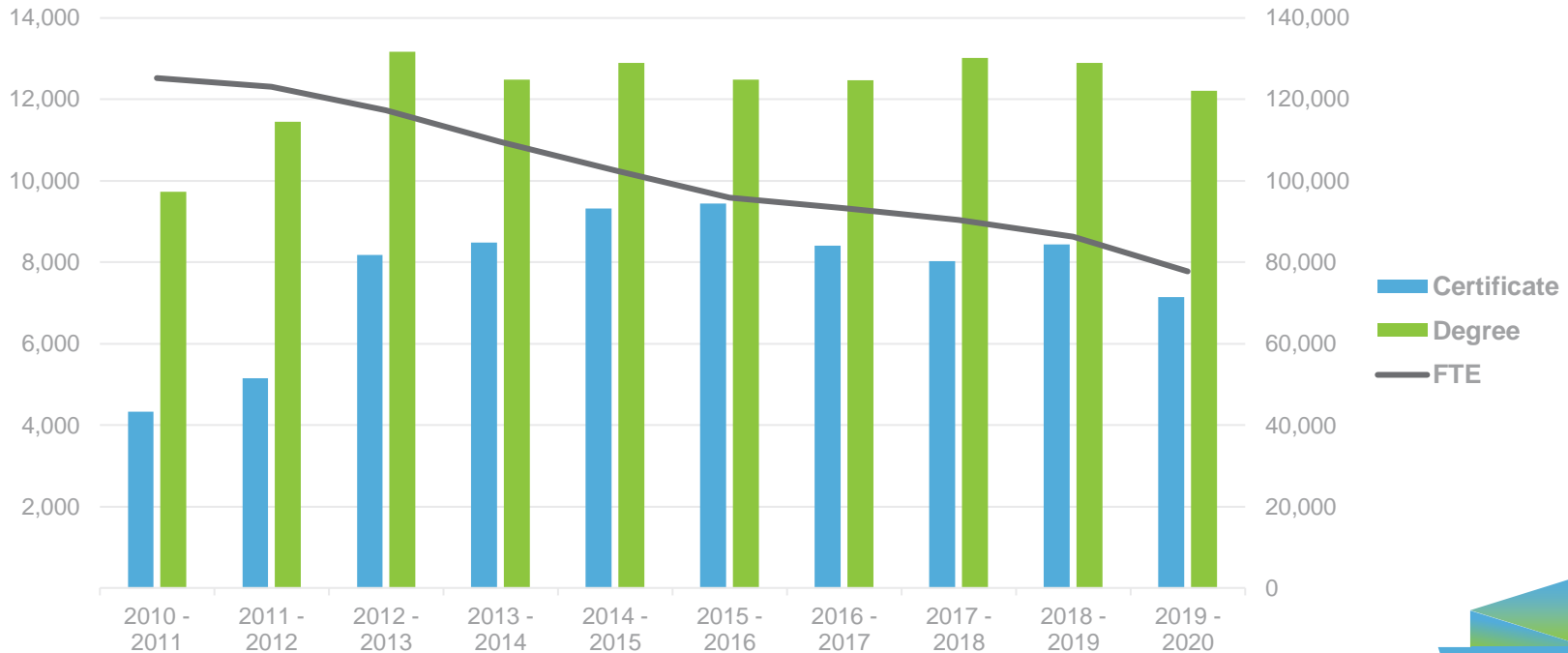
52%

Reported being housing insecure in the previous year

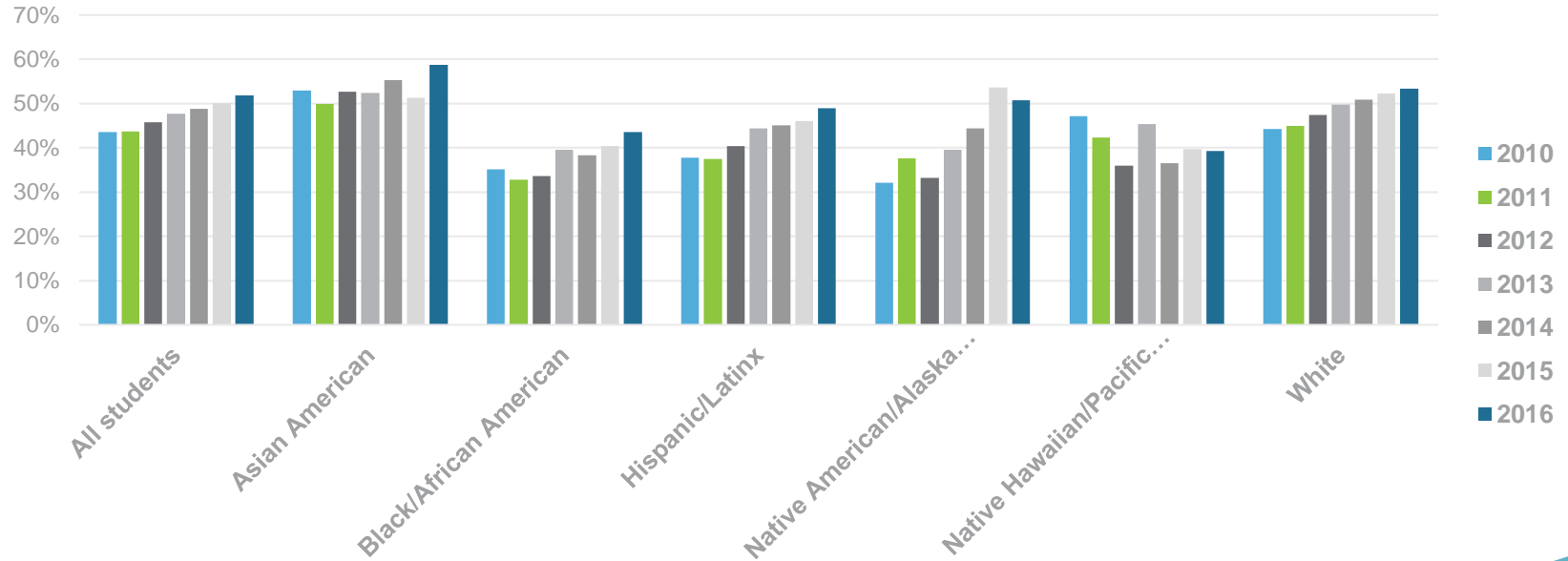
Recommendation:

Basic needs-centered approach to government policy at all levels

Community College Completions



Student Completion & Transfer Rate Over Time, by Race/Ethnicity



Career Pathways: Linking Training & Support

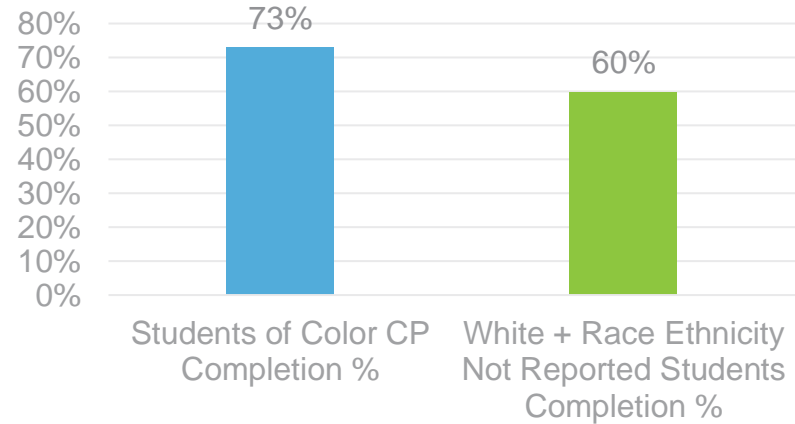
- ▶ Completing a community college certificate typically **boosts workers' overall earnings** by almost \$5,000 (19%) compared to their previous wages
- ▶ Pell Grant recipients who earn certificates **increase their earnings by \$9,600.**
- ▶ Median earnings for students who completed a Career Pathway Certificate was **126%** of median earnings for students who earned a long-term community college certificate.



Career Pathways: Students of Color

- ▶ Career Pathways students in Oregon are **more than twice as likely to self-identify as students of color** compared to community college students statewide.
- ▶ **51%** of Career Pathways students self-identify as students of color.

CP Completion Rates are higher for students of color



Community College Funding

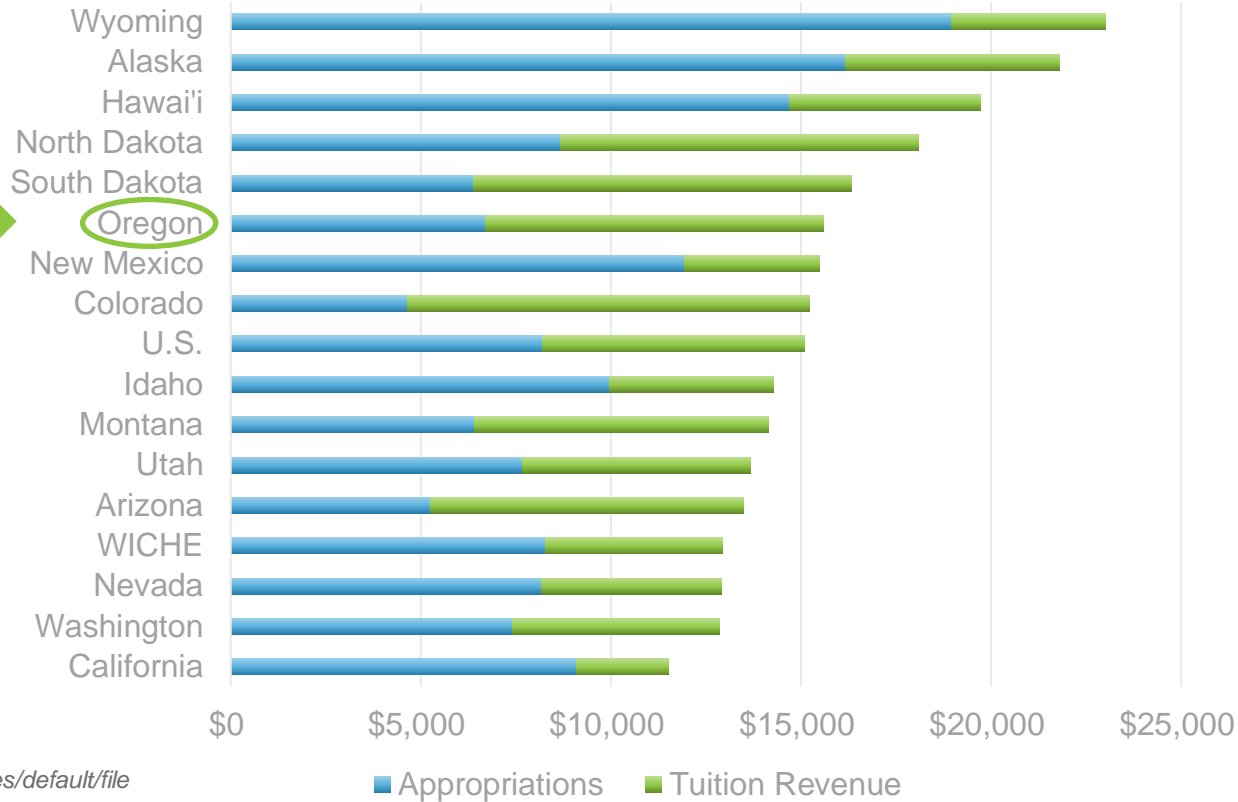


Community College Current Service Level

General Fund REVENUE	2019-21 Projections		% Change			2021-23 Needs
	Amount	% of Total	Annual	% Change	\$ Amount	\$ Amount
State Aid	\$641,386,996	38%		9.48%	\$60,778,666	\$702,165,662
Property Taxes	\$393,308,780	23%	4.50%	6.85%	\$26,946,568	\$420,255,348
Tuition	\$519,625,863	31%	3.50%	5.31%	\$27,598,629	\$547,224,492
Other	\$120,461,894	7%	2.90%	4.40%	\$5,295,258	\$125,757,153
Fund Balance	\$13,261,886	1%				
Total GF Revenues	\$1,688,045,419	100%			\$120,619,121	\$1,795,402,654

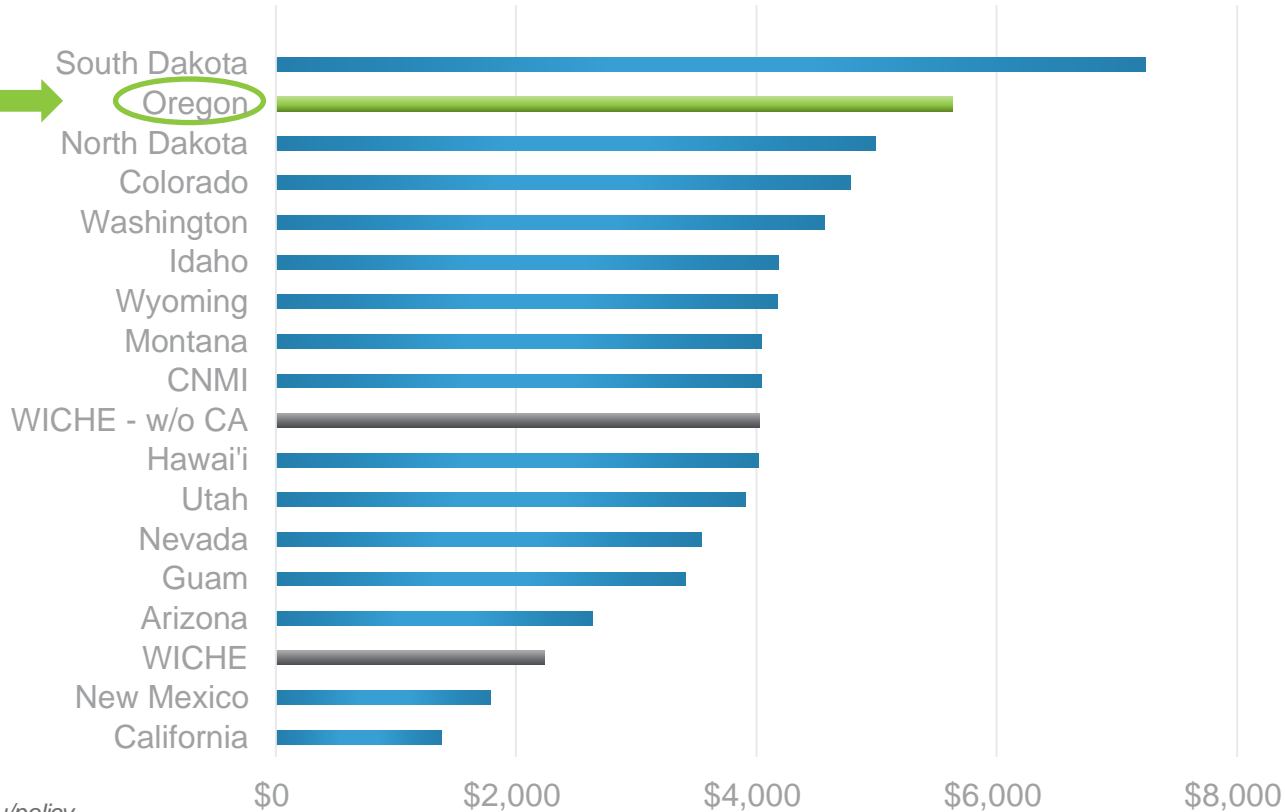
Community College Current Service Level

General Fund EXPENSES	2019-21 Projections		% Change			2021-23 Needs
	Amount	% of Total	Annual	% Change	\$ Amount	\$ Amount
Salary (including payroll costs)	\$984,722,592	58%	3.62%	5.51%	\$54,214,745	\$1,038,937,337
Health Insurance	\$162,135,478	10%	3.48%	5.29%	\$8,572,211	\$170,707,689
PERS	\$209,360,962	12%		14.42%	\$30,198,283	\$239,559,245
Materials & Services	\$199,484,436	12%	3.43%	5.21%	\$10,398,569	\$209,883,006
Other (transfers, etc.)	\$135,028,711	8%	-0.20%	-0.31%	\$(413,631)	\$134,615,080
Unfunded Mandates					\$1,700,298	\$1,700,298
Total GF EXPENSES	\$1,690,732,179	100%			\$104,670,475	\$1,795,402,654



Source:
http://www.sheeo.org/sites/default/files/SHEF_FY2018.pdf

Educational Revenues per Full-Time Equivalent (FTE) Student



Source:
<https://www.wiche.edu/policy-research/data-resources/tuition-fees/>

In-District Tuition & Fees at Public Two-Year Institutions, 2019-20

About HEERF Funds

All HEERF funds are **one-time** funds

Allowable uses **restricted** to:

- ▶ Costs associated with coronavirus, including lost revenue, **incurred since March 13, 2020** (date national emergency declared)



Total HEERF I, II & III Fund Allocations

HEERF I & II

Student Emergency Grants <i>(Direct to students)</i>	\$40,731,601
Institutional Grants	\$97,980,356
Other (SIP & MSIs)	\$ 6,773,599

HEERF III – American Rescue Plan (ARPA) Act

(estimated; allocations not yet released by ED)

Student Emergency Grants <i>(direct to students)</i>	\$86,334,000
Institutional Grants	\$86,334,000

Source: U.S. Department of Education

College Costs & Lost Revenues

COVID-related Direct Costs & Lost Revenue Summary Statewide (estimated through Spring Term 2021)

Direct (Reimbursable Costs)	\$ 32,619,078
Lost Revenue	\$ 90,014,852
TOTAL	\$122,633,930

LOST REVENUE:
Those revenues a college otherwise expected but were reduced or eliminated as a result of the pandemic. Must be associated with coronavirus.

Total HEERF I/II Funds Received	\$ 97,980,356
<u>Total Costs/Lost Revenue</u>	<u>\$122,633,930</u>
DEFICIT	(\$ 24,653,574)

Source: As reported by individual Oregon community colleges

Questions?

Cam Preus, OCCA Executive Director
cam@occa17.com

John Wykoff, OCCA Deputy Director
jwykoff@occa17.com

