



Date: April 9, 2007  
To: Members, Senate Education Committee  
From: Cam Preus-Braly, Commissioner  
Re: Responses to Questions from Committee Members: 1/25/07

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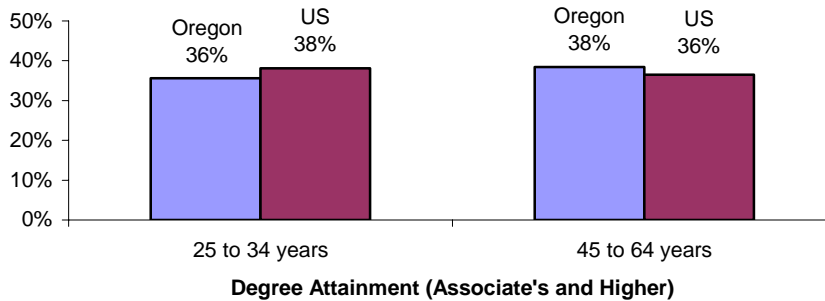
www.odccwd.state.or.us

1. *Senator Walker requested information regarding the drop of younger adults with postsecondary education and credentials.*

As of 2005, 36% of Oregonians ages 25 to 34 have earned an associate's degree or higher, while 38% of 45-64 year olds have earned an associate's degree or higher (Figure 1). Oregon is one of a few states where a smaller percentage of younger adults have degrees than older adults (36% vs. 38%). The difference is relatively small, two percentage points, and Oregon has historically had a relatively high rate of older people with degrees compared to other states. In addition, older individuals have had longer to earn their degrees.

**Figure 1**

**Differences in Degree Attainment (Associate's and Higher) Between Younger and Older Adults: Oregon and US 2005**



U.S. Census: American Community Survey, 2005

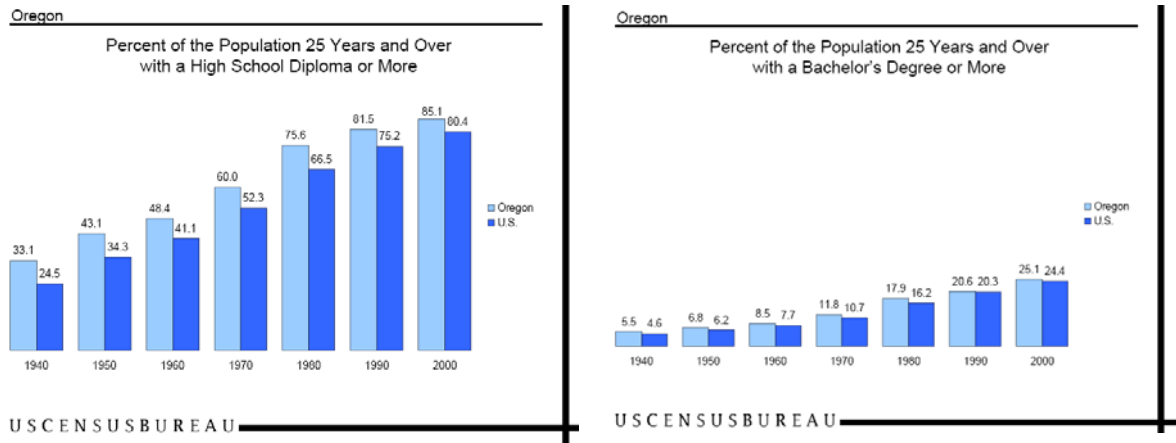
The difference in degree attainment between younger and older adults is less of a concern than the fact that Oregon is above average for older adult degree attainment, but below average for younger adult degree attainment. It is a slight difference in both cases, but suggests that we are being outpaced in younger adult degree attainment by other states at a time when more degree attainment is needed.

There are many possible reasons for this, including the diminishing ability of students to afford a postsecondary education compared to students a few decades ago. According to *Measure Up 2006*, "College affordability has declined dramatically. The primary affordability measures used in *Measuring Up 2006* are family income and the proportion of that income required to finance a year at a two-year public, four-year public, or four-



year private college or university after all student financial aid is taken into account. The results show that paying for college has become significantly more difficult for most American families, particularly those with modest and low incomes.”

The following charts, from a U.S. Census Bureau report on Educational Attainment from 1940 to 2000, shows that a higher percentage of Oregonians have high school diplomas and bachelor’s degrees than ever before.<sup>1</sup>



2. *Senator Kruse requested information regarding the Bond sale timing.*

- March 28, 2007: Final bond pricing
- March 29, 2007: Signing of Bond Purchase Agreement.
- April 2, 2007: Closing memo distributed
- April 9, 2007: Bonds delivered to bank

<sup>1</sup> U.S. Census Bureau. “Oregon: Educational Attainment of the Population 25 Years and Over: 1940 to 2000.”

3. *Senator Courtney requested more information regarding the \$529 million and where this amount came from.*

CCWD used the Student Based Funding Model, adopted in 2001, to calculate this request. The Model uses data from the national Integrated Postsecondary Education Data System (IPEDS). The Department calculated the cost per student (including instruction, academic support, institutional support, operations and maintenance and scholarships/fellowships) and divided that cost by the number of reimbursable Full-Time Equivalent (FTE) students served in Oregon's community colleges.

The average total cost of a reimbursable FTE (not including FTE supported through Contracts Out-of-District) in 2003-04 was \$6,305. That cost was projected out to 2006-07 using inflationary factors. Using this method, the average cost per reimbursable FTE for each year of the 2005-07 biennium is \$6,655. Based on 2005-07 projections, and maintaining a minimum state investment threshold of 44.5%, the state's General Fund investment per FTE is \$2,961 for 2007-09. That number was multiplied by an estimated 178,842 total FTE for the 2007-09 biennium, resulting in \$529,621,833.<sup>2</sup>

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<sup>2</sup> Numbers for estimated FTE are rounded to the nearest whole FTE and cost per student is rounded to nearest whole dollar.