



## OREGON STATE BOARD OF EDUCATION

DEPARTMENT OF COMMUNITY COLLEGES AND WORKFORCE DEVELOPMENT  
255 Capitol St. NE, Salem, OR 97310

April 16, 2003

To: Members, Ways and Means Sub-Committee on Education  
From: Cam Preus-Braly, Commissioner  
RE: Questions from the 4/16/03 Hearing

### **One Stop Workforce Career Center Funding**

*Senator Gordly asked how many One Stop Workforce Career Centers will be lost in the Governor's budget or through reductions in WIA funds.*

Oregon's 40 One Stop Workforce Career Centers are a joint collaborative effort of the workforce partners and as such it is unknown what impact funding reductions will have on the One Stop Workforce Career Centers. Each One Stop Workforce Career Center has different partner configurations. In addition, to the mandatory partners under the federal Workforce Investment Act (WIA), some non-mandatory partner services in One Stop Workforce Career Centers include: women's resource centers, drug and alcohol counseling services and parole and probation services.

The partners all have different funding streams and their contributions vary. The major funding for One Stop Workforce Career Centers comes through federal WIA funds and even though there are projected reductions, it is not expected that the One Stop Workforce Career Centers will be closed. It is anticipated, however, that fewer services may be available from partners on site.

The partners, in identifying the need for local One-Stop Workforce Career Centers, have worked very hard to develop and coordinate services to provide the best possible access and delivery of services. When designing a One Stop Workforce Career Center the partners take into account various factors including: the needs of the community, facility costs and location, staffing requirements, and maintenance and operation costs.

The Department of Community Colleges and Workforce Development provided a report to the Emergency Board on June 27, 2002 to address a 2001/03-budget note regarding collaboration and coordination of services within the workforce agencies. This report will be discussed on Monday.

### **Affirmative Action**

*Senator Gordly asked for a detailed and aggressive Affirmative Action Plan – we will be bringing that on Monday.*

April 17, 2003



Madam Chair members of the Committee I am Jesus "Jess" Carreon, President of Portland Community College.

I want to tell you what has occurred at PCC as a result of the budget reductions of the past several years. The most important message that I can give you is that these budget reductions are impacting the **core mission** of the college. Access to our classes is being diminished, we are no longer affordable to all students and we are making large reductions in our professional technical program offerings.

Community colleges cannot withstand more budget reductions without becoming very different institutions. **The budget decisions you are making in this building are affecting the kinds of programs and services we are able to offer and are forcing us to deny access to those students who could possibly benefit from community colleges the most.**

1. **Enrollment caps.** PCC has been experiencing double digit growth for the past five years. This winter term for the first time ever, we capped enrollment at last year's levels. We do not know exact numbers of students this actually prevented from attending PCC, because we do not maintain waiting lists) but based on past growth rates, we can make the assumption that we denied access to 1300 students winter term this year, and 1800 students this spring term.
2. For the current biennium, we have **reduced expenditures** by 5% by cutting class sections, dipping into our ending fund balance, eliminating unnecessary travel, printing, contracting and other budget items, holding vacant positions and making other budget adjustments.
3. For 2003-05, we are reducing our **expenditures and raising tuition to accommodate a budget shortfall of \$20 million, or 10 percent of our budget.**
4. **Tuition is going up by 28%** from \$45 to \$58 per credit hour.
5. We are reducing or **eliminating 32 academic programs.** We do not have weak program on any of our campuses now. Enrollment is strong in all of our programs.
6. We are eliminating 44 faculty, administrative and classified staff positions.

**President**

Dr. Jesus "Jess" Carreon

jcarreon@pcc.edu

Voice 503-977-4365

Fax 503-977-4960

www.pcc.edu

P.O. Box 19000

Portland, Oregon

97280-0990

**College Board**

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An Affirmative Action,

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## Portland Community College Enrollment Trends

2001-02		2002-03	
Fall term 2001		Fall term 2002	
	Growth from prior year		Growth from prior yr
FTE	7,574	FTE	7,866
Headcount	46,295	Headcount	47,355
	11.7%		3.8%
	5.7%		2.3%
Winter term 2002		Winter term 2003	
FTE	7,016	FTE	7,128
Headcount	44,669	Headcount	43,330
	11%		1.6%
	9.0%		-3%
Spring 2002		Spring 2003 (week 2)	
FTE	7,165	FTE	6,220
Headcount	46,239	Headcount	34,855
	18%		-.3%
	3%		-4.9%

March 20, 2003 (03-66sh)

## **Portland Community College recommends \$7.6 million in cuts, increases in tuition**

PORTLAND, Ore. – The board of directors of Portland Community College will hear proposals Thursday, March 20, for dealing with shrinking revenues prompted by the state budget shortfall. Without additional revenues from the state or increases in tuition, PCC faces a \$20 million shortfall for the 2003-05 biennium. The public hearing on the budget is scheduled for 7 p.m. at PCC's Southeast Center, room 155, 2850 S.E. 82nd Avenue.

To balance the budget, PCC President Jesus "Jess" Carreon proposes a combination of budget cuts and tuition and other revenue increases. The president will propose \$7.6 million in cut – \$5.2 million in personnel and \$2.4 million in equipment, supplies and services. Personnel reductions total 44.6 full-time-equivalent positions. All but 15 of the positions are currently vacant or will be come vacant through retirements. Of the total reductions, approximately \$3.5 million will come from non-academic and college support areas.

To generate revenue, the president will recommend a tuition increase of between 27 and 33 percent. Tuition, currently set at \$45 per credit hour, would increase to a range of \$57 to \$60, beginning summer term. This means a full-time student would pay between \$2,565 and \$2,700 per year. A tuition hike again in 2004 is likely. Also under consideration is a proposal to set aside \$1 of the tuition increase for a financial aid fund for students.

Carreon said, "These recommendations have not been made lightly. The reductions will result in reduced access and service to our students and to the community.

"The budget realities that all public bodies are facing these days are grim. There is also little hope that the Legislature will develop a revenue enhancement package to reverse these numbers in the near future," he added.

The proposal calls for half of the shortfall to be made up through tuition increases, fees, and contributions from grants and other activities; the other half

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of the shortfall will be generated from cuts to personnel and programs. The administration has developed guiding principles for building the budget, which include giving priority for funding programs that provide students with degrees or certificates, or pathways to degree and certificate programs. In addition, the college will not make broad, across-the-board cuts that weaken all programs.

The proposed cuts follow on the tail of a \$5.6 million shortfall for the 2002-03 fiscal year, which left PCC with a general-fund operating budget of \$109 million.

Thirty-two academic programs will either be eliminated or reduced. Targeted for elimination at the three comprehensive campuses and the college's open campus are:

- Emergency Dispatch Operator (Cascade).
  
- Building Futures in Industry and Trades, Biotechnology, first-year French, Technical Writing, Theater, Graphic Design (Rock Creek).
  
- Calligraphy, Forensics (Sylvania).
  
- Community Education offices in Newberg, St. Helens. Classes will continue to be offered at other sites in Newberg and St. Helens, although minimum enrollments will be required. (Open Campus).
  
- The college also plans to discontinue mailing the schedule of classes to all households in the district.

Several academic programs and college services will be reduced. These programs include:

- Central services will reduce staff, travel, materials and supplies in these college support offices: public relations, curriculum, research, technology, human resources, enrollment services and physical plant.

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- Skill Center (Cascade Campus).
- Aviation Maintenance, Auto Collision Repair, Welding, Landscape Technology, the Student Learning Center, New Directions (for displaced homemakers), English as a non-native language (Rock Creek).
- Business, Computer Information Systems, Computer Science, Computer Software Engineering, Civil and Mechanical Engineering, Cooperative Education-Job Placement, Dance, Developmental English, French, Industrial Drafting, Photography, Social Science (Sylvania Campus).
- Community Education, Professional Skills, Apprenticeship, Institute for Management and Professional Development, Small Business Development Center and Computer Education. (Open Campus).
- Reorganization of adult basic education and pre-college classes, and continuing education and services to business into one entity will achieve budget savings.

Distance Education will offer fewer courses and a reduction of library hours at Sylvania is proposed.

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Unemployment Rate	2000
Morrow	11.9
Grant	11.2
Harney	9.5
Lake	9.4
Wallowa	8.6
Wheeler	8.6
Crook	8.4
Malheur	8.3
Klamath	8.1
Douglas	7.8
Hood River	7.8
Coos	7.4
Baker	7.3
Linn	7.1
Josephine	6.9
Wasco	6.6
Curry	6.3
Umatilla	6.3
Lincoln	6.2
Sherman	5.8
Jefferson	5.7
Salem MSA (Marion-Polk)	5.4
Deschutes	5.3
Jackson	5.3
Lane	5.1
Union	5.1
Gilliam	4.7
Clatsop	4.6
Tillamook	4.4
Portland-Vancouver, OR-WA PMSA	4.0
Benton	2.4

Unemployment Rate	Feb. 03
Grant	14.6
Wallowa	14.6
Lake	14.0
Crook	13.5
Harney	13.1
Morrow	13.0
Baker	12.6
Wasco	12.2
Sherman	11.8
Klamath	11.6
Malheur	11.4
Linn	11.1
Hood River	10.8
Jefferson	10.6
Umatilla	10.3
Douglas	10.0
Deschutes	9.5
Josephine	9.0
Lincoln	8.9
Wheeler	8.7
Coos	8.6
Curry	8.6
Portland-Vancouver, OR-WA PMSA	8.5
Jackson	8.3
Clatsop	8.2
Salem MSA (Marion-Polk)	8.0
Gilliam	7.8
Lane	7.7
Union	7.4
Tillamook	7.3
Benton	4.3

Unemployment Rate Change	Change
Sherman	6.0
Wallowa	6.0
Wasco	5.6
Baker	5.3
Crook	5.1
Jefferson	4.9
Lake	4.6
Portland-Vancouver, OR-WA PMSA	4.5
Deschutes	4.2
Umatilla	4.0
Linn	4.0
Clatsop	3.6
Harney	3.6
Klamath	3.5
Grant	3.4
Gilliam	3.1
Malheur	3.1
Hood River	3.0
Jackson	3.0
Tillamook	2.9
Lincoln	2.7
Lane	2.6
Salem MSA (Marion-Polk)	2.6
Union	2.3
Curry	2.3
Douglas	2.2
Josephine	2.1
Benton	1.9
Coos	1.2
Morrow	1.1
Wheeler	0.1

## Per Capita Personal Income in 2000

Oregon	\$27,660
Clackamas	\$34,525
Multnomah	\$32,910
Washington	\$31,486
Benton	\$29,318
Deschutes	\$26,469
Columbia	\$26,027
Lane	\$25,584
Jackson	\$24,563
Clatsop	\$24,491
Polk	\$24,201
Lincoln	\$24,151
Wasco	\$24,120
Yamhill	\$23,960
Marion	\$23,955
Curry	\$23,492
Union	\$22,912
Linn	\$22,395
Tillamook	\$22,269
Coos	\$22,243
Douglas	\$22,226
Hood River	\$22,056
Umatilla	\$21,736
Klamath	\$21,600
Harney	\$21,367
Josephine	\$21,270
Grant	\$21,149
Wallowa	\$21,080
Lake	\$20,961
Baker	\$20,355
Crook	\$20,225
Malheur	\$19,035
Morrow	\$18,467
Wheeler	\$18,251
Jefferson	\$17,746
Gilliam	\$15,444
Sherman	\$14,476

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