

What's going on with capital construction?

The Community College Capital Construction policy package includes **projects for fourteen community colleges**.

A dollar-for-dollar match is required. Dollar-for-dollar match requirement means that each community college must raise half of the money locally through fundraising or local bonding.

Each community college has submitted a prioritized list of its capital needs. The parameters were that no more than three projects could be submitted by any one college and the list could not include projects that were statutorily prohibited (including dormitories and athletic facilities for spectator sports) and must fit with the current administrative rule.

In collaboration with the community college presidents, CCWD has also applied guiding principles in determining the ranking of projects with the budget. These principles are:

- Structural integrity and safety issues
- Connections and partnerships with the Oregon University System and P-12
- Economic development and high demand occupations

The State Board of Education has adopted rule that sets the following criteria for ranking capital construction projects :

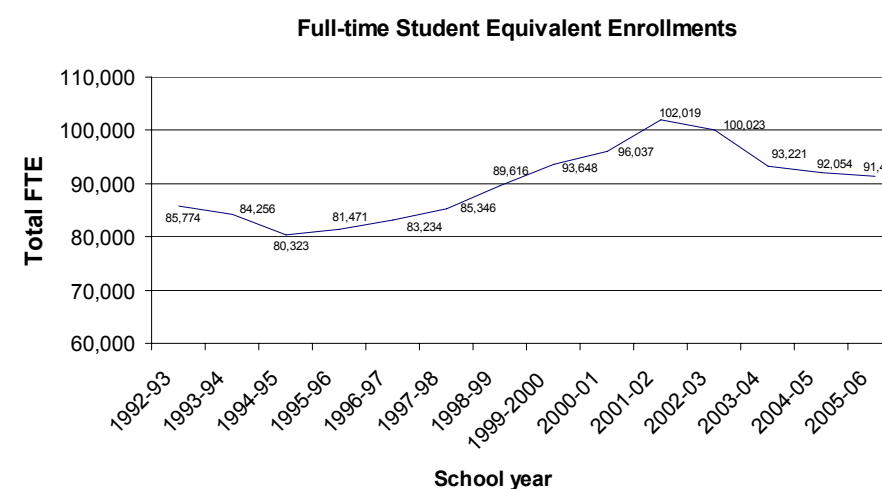
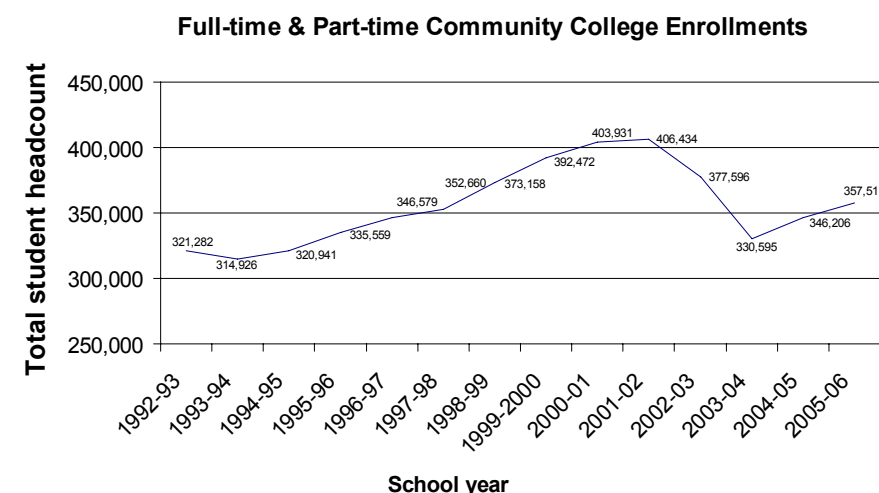
- Clearly serve an instructional purpose
- Clearly meet an important demonstrated service need of the college
- Clearly meet a facilities need that cannot be adequately addressed through alternative, interim, or existing facilities
- Clearly serve to complete a comprehensive community college facility
- Clearly meet an important and articulated objective of the college
- Clearly reflect evidence of local planning and needs assessment

The Legislatively Approved Budget appropriated \$40 million in Article XI-G bonds to provide matching funds for capital construction at eight community colleges, including Central Oregon Community College, Chemeketa Community College, Clackamas Community College, Lane Community College, Linn-Benton Community College, Mt. Hood Community College, Oregon Coast Community College and Portland Community College.

For additional information please contact:
 Cam Preus-Braly, Commissioner
 Oregon Department of Community Colleges and Workforce Development
 503-378-8648 x357 or cam.preus-braly@state.or.us.

The following information is presented by the Oregon Department of Community Colleges and Workforce Development to help local college board members and their constituents understand what has been happening to community college funding and what they may expect during the coming biennium.

What's been happening with enrollments?



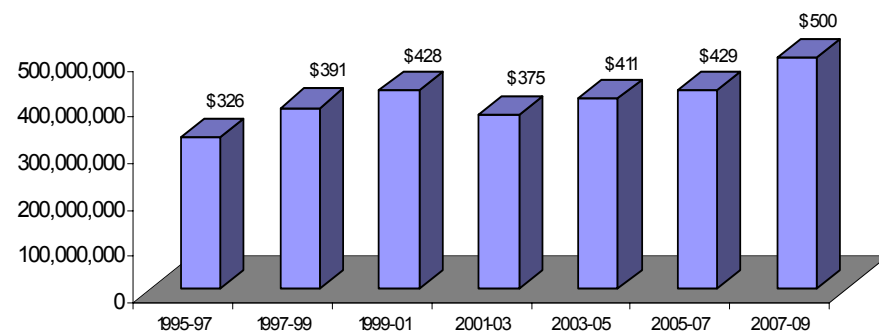
- Community college enrollments, both in terms of headcount and full-time equivalent students, have remained relatively flat over the last three years in response to reductions in State appropriations from 2002 to 2004.
- In 2005-06, Oregon community colleges served 357,511 students; a decline of nearly 49,000 since 2001-02.
- Budget cuts that occurred over the second half of the 2001-03 biennium continue to have significant impacts on enrollments. This decrease in enrollment can be attributed to a number of factors, including decreased course availability and tuition increases of 12-25% per year.
- The slowing of enrollment in community colleges is not unexpected. A study completed by Community College Institutional Researchers in 2005 predicted slow growth without new state investment.

Community colleges are the key access point for Oregonian's seeking a post-secondary education. They provide **opportunity** for students to advance their education levels and acquire new skills regardless of their starting point.

Community colleges are the **leading choice** for high school graduates seeking a post-secondary education. The Oregon University System's recently released study, "Where Have Oregon's Graduates Gone?", reports nearly half of all Oregon high school students who enrolled at an in-state post-secondary institution chose a community college.

What's been happening with funding?

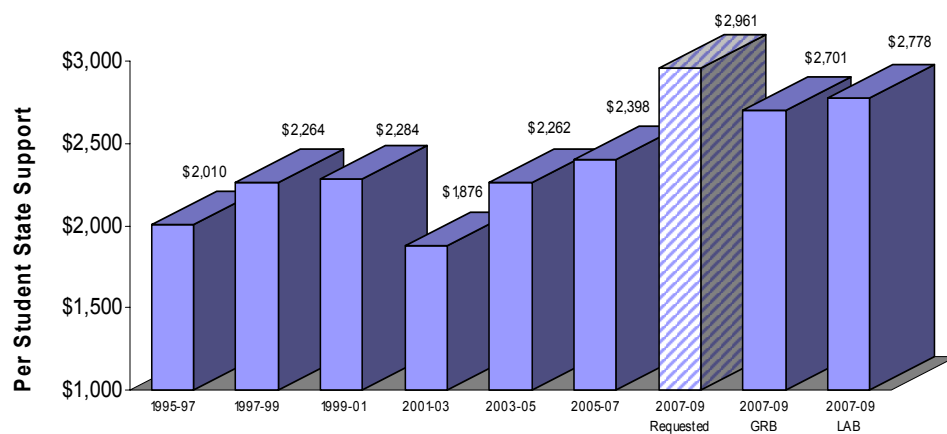
State Appropriations to Community Colleges
(in millions)



State appropriations to Oregon's community colleges grew in the 1990s as the number of students seeking post-secondary education and workforce training increased. However, funding for increased enrollment masked the fact the State's funding per full-time equivalent student was not keeping up.

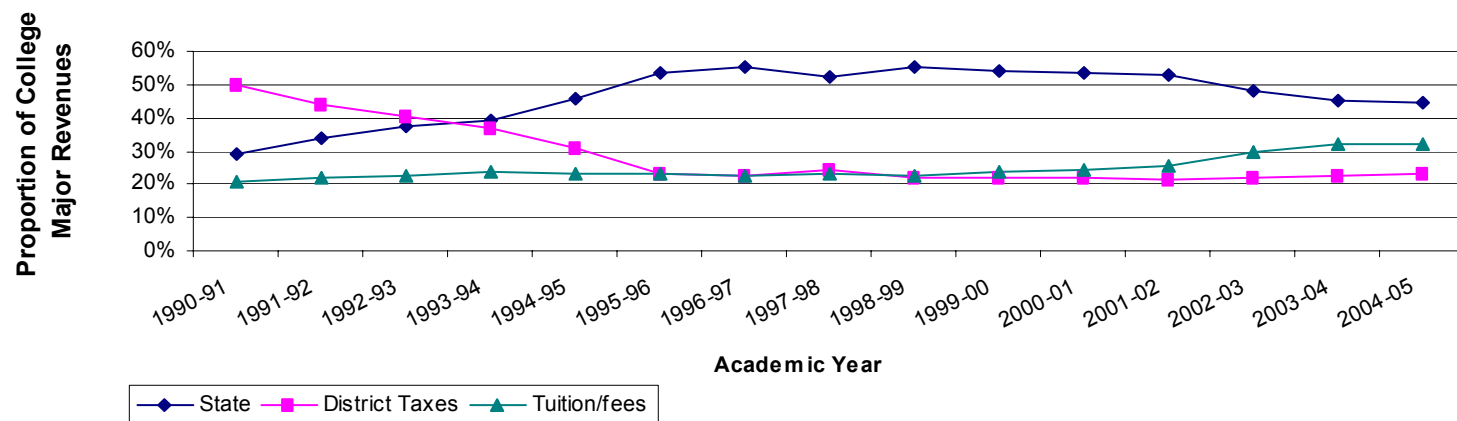
Following a substantial decline in 2001-03, the State's investment per student has only recently achieved the levels seen in the late 1990s.

State Support per Student FTE



The striped bar for 2007-09 shows the request made by CCWD for funding in the coming biennium. This budget request assumed enrollment of 178,842 FTE students during 2007-09. The Governor's Recommended Budget (GRB) proposed \$483 million to serve approximately 179,000 community college students during 2007-09. State support would be \$2,701 per student, the highest level since 1994. The Legislatively Approved Budget (LAB) at \$500 million takes the state support for students to \$2,778.

Community College Major Revenues



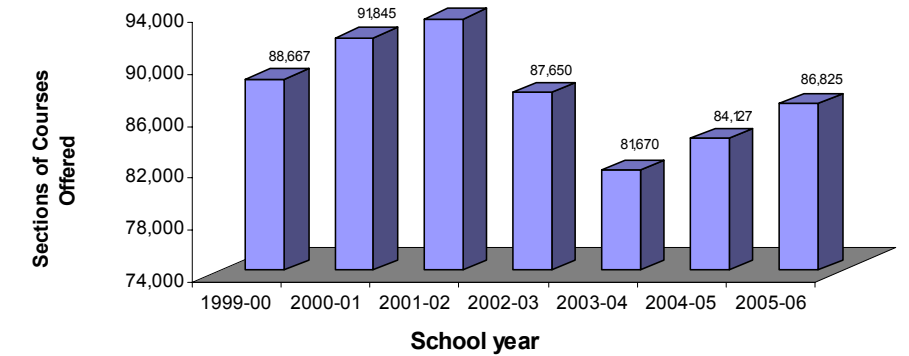
So, what does this mean for Oregon community college students?

The impact of the budget reductions over the last two biennia has been addressed in two ways: program reductions and tuition increases. Both of these adjustments make it more difficult for students to get the community college services they need.

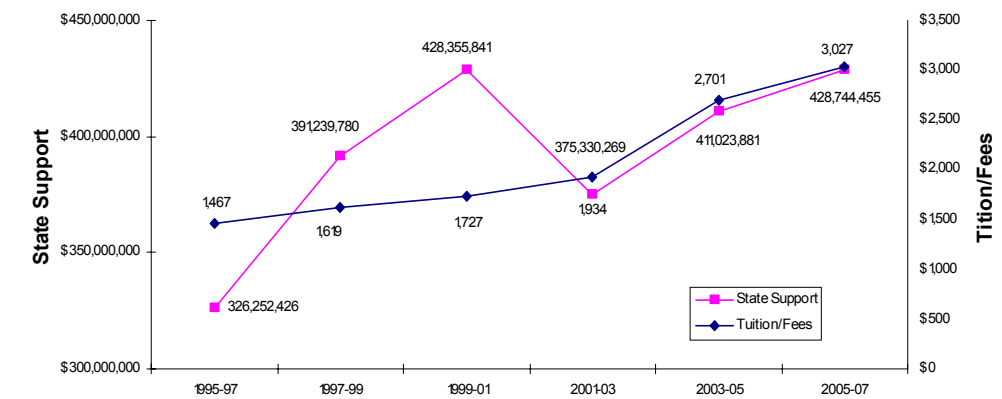
Oregon community colleges have not had sufficient funding to keep up with the demand for courses. In 2005-06, 7% fewer course sections were offered than in 2001-02.

Over the last five years, average community college tuition rose 61%. Oregon community college tuition ranks third highest of the 15 western states.

Course Sections Offered Statewide

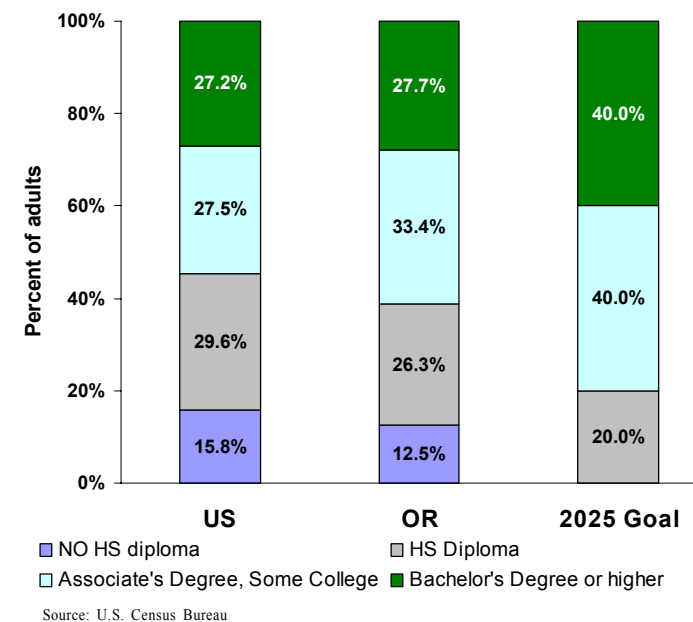


State Support and Tuition/Fees



So, what does this mean for educational attainment in Oregon?

Educational Attainment of Adults Age 25+ 2005 Estimates Compared to Oregon's 2025 Goal



Source: U.S. Census Bureau

Oregon has new goals for educational attainment by 2025: 20% of residents with a high school diploma, 40% with a postsecondary credential or associate's degree, and 40% with a bachelor's degree or higher.

However,

- Oregonians 25 to 34 years old are less likely to have earned a degree than Oregon adults 45 to 54 years old in 2005.
- Chance of an Oregon high school grad going to college by age 19 is less today than ten years ago (2004 compared to 1994).¹
- Average statewide community college tuition rose 99% in 10 years.

¹ Postsecondary Education OPPORTUNITY, July 2006 Issue; calculates chance for college as high school graduation rate times college continuation rate by age 19. From "Oregon Opportunity Grant: Shared Responsibility Model" presentation, January 29, 2007.