
Oregon Department of Community Colleges and Workforce Development



April 9, 2007

Presented to Joint Ways & Means Subcommittee on Education

Cam Preus-Brady, Commissioner



Today

- CCWD History
- Department Drivers
- Key Performance Measures



A History

Prior to 1987, the Office of Community College Services (OCCS):

- ❑ **Existed as a division within the Oregon Department of Education**
- ❑ Administered by an Associate Superintendent
- ❑ Reported to the State Superintendent of Public Instruction

The 1987 Legislative Assembly created:

- ❑ Position of Commissioner for Community Colleges, appointed by the State Board of Education
- ❑ Required the State Board of Education to provide a separate, identifiable place on its agenda for community college issues
- ❑ **Required that a separate community college budget be developed by the legislature**

Further legislative changes were made to the Office in the late 1980s and early 1990s.

A History

In 1997, administration of the federally funded job training, which has since become the Workforce Investment Act, moved to OCCS. This action caused:

- The size of the agency to nearly double in personnel
- Added significant federal fund revenues to the overall agency budget
- Increased accounting and reporting

In 1999, Oregon legislative action:

- **Changed the name of the agency to the Department of Community Colleges and Workforce Development (CCWD)**
- Repealed all statutory language regarding historical connections to the Department of Education

Legislatively Approved General Fund appropriations to the agency:

- \$398.3 million in 1997-99
- \$435.7 million in 1999-01
- \$387.0 million in 2001-03 (\$467 million at end of regular session)
- \$416.4 million in 2003-05
- \$433.8 million in 2005-07

We Connect

- 17 Community Colleges
- 19 Adult Basic Skills providers
- Oregon Youth Conservation Corps county-based program
- 7 Workforce Areas and 15 Regions and Workforce Response Teams

Oregon's education and workforce system partners are listening and responding to employers and "skilling-up" Oregon's workforce.

Our statewide, local, and regional efforts to implement integrated, responsive strategies are making Oregon a world-class competitor in the global market.

2005 WorkSource Oregon Annual Report



We Serve

During 2005-06:

- *357,511 Oregonians through 17 community colleges*
- *21,716 Oregonians in 19 local Adult Basic Skills programs*
- *1,266 Oregon youth in the Oregon Youth Conservation Corps county-based program (in all 36 counties)*
- *12,687 Oregon adults, youth and dislocated workers through 7 Workforce Areas, 15 Regions*
- *10,037 Oregon incumbent workers through the Employer Workforce Training Fund and Workforce Response Teams*
- *Over 350 Oregon employers and 20,000 employees through the Business and Industry Training System at community colleges*

Education and Training = Prosperity

“We must invest in education and skills training to enable future economic prosperity. As our economy grows and changes, adults must have opportunities to receive training and education that permits access to family wage employment.”

Governor Ted Kulongoski



What Drives the Work We Do?

- Oregon's demand for a well-educated and highly skilled workforce
- Ongoing and enhanced partnerships designed to improve programs and outcomes while effectively targeting scarce resources
- Increased data collection and reporting requirements to support greater accountability and program improvement
- Need to strengthen and rebuild programs and services following recession and disinvestment



**We all benefit when Oregon's workforce
is well educated and
highly skilled**

Photograph by Susan Garrett Crowley

In the 21st century, America's ability to educate its people will increasingly determine its economic competitiveness as the country shifts from an industrial to an information economy.

*Source: Keeping America's Promise
Education Commission of the States & League for Innovation*



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New Economy – 21st Century Jobs

High Skill – High Wages

In the 1950s:

- 20% Professional
- 60% Unskilled
- ***20% Skilled***

In 2000:

- 20% Professional
- 15% Unskilled
- ***65% Skilled***

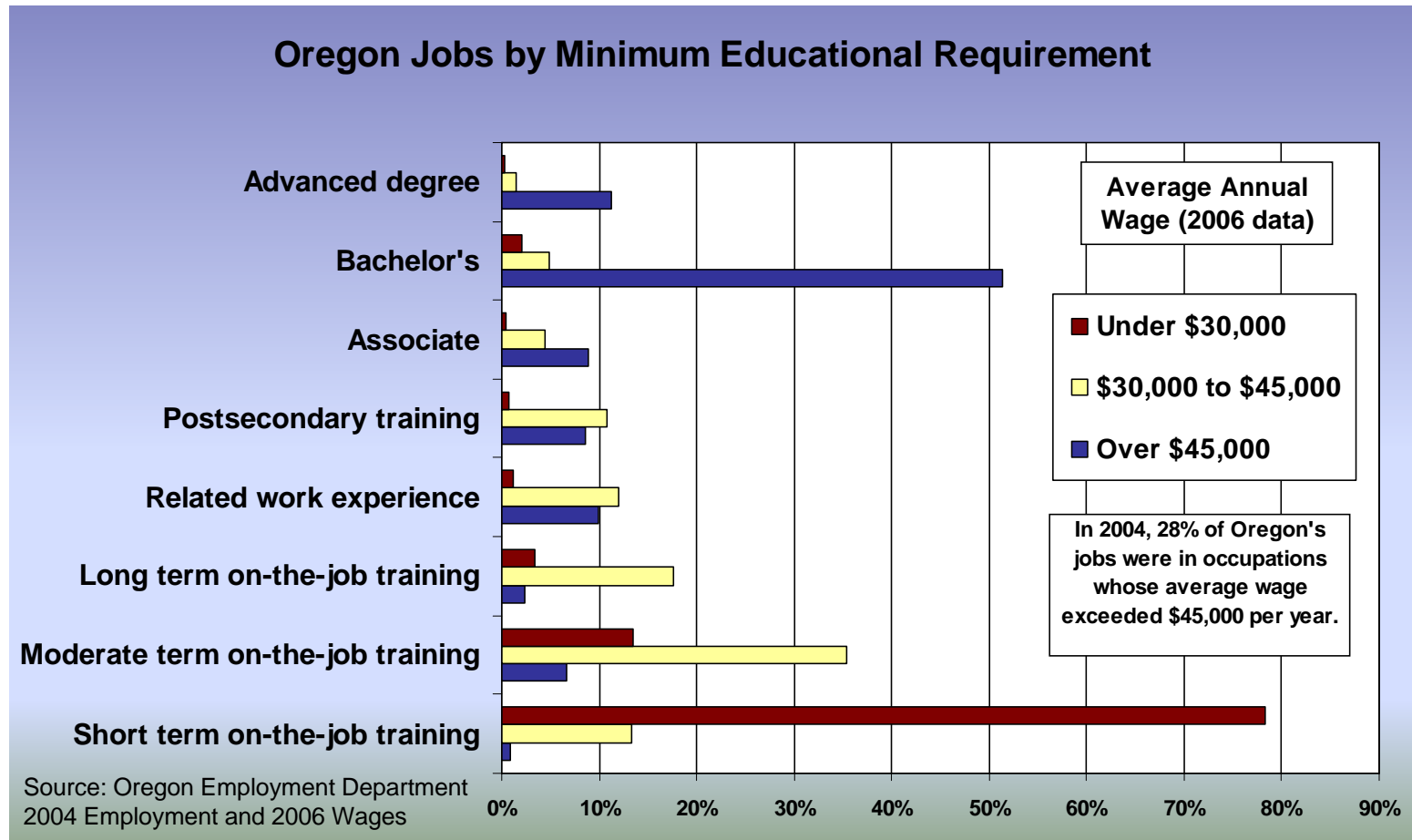


From 21st Century Skills for 21st Century Jobs and Preparing America's Future

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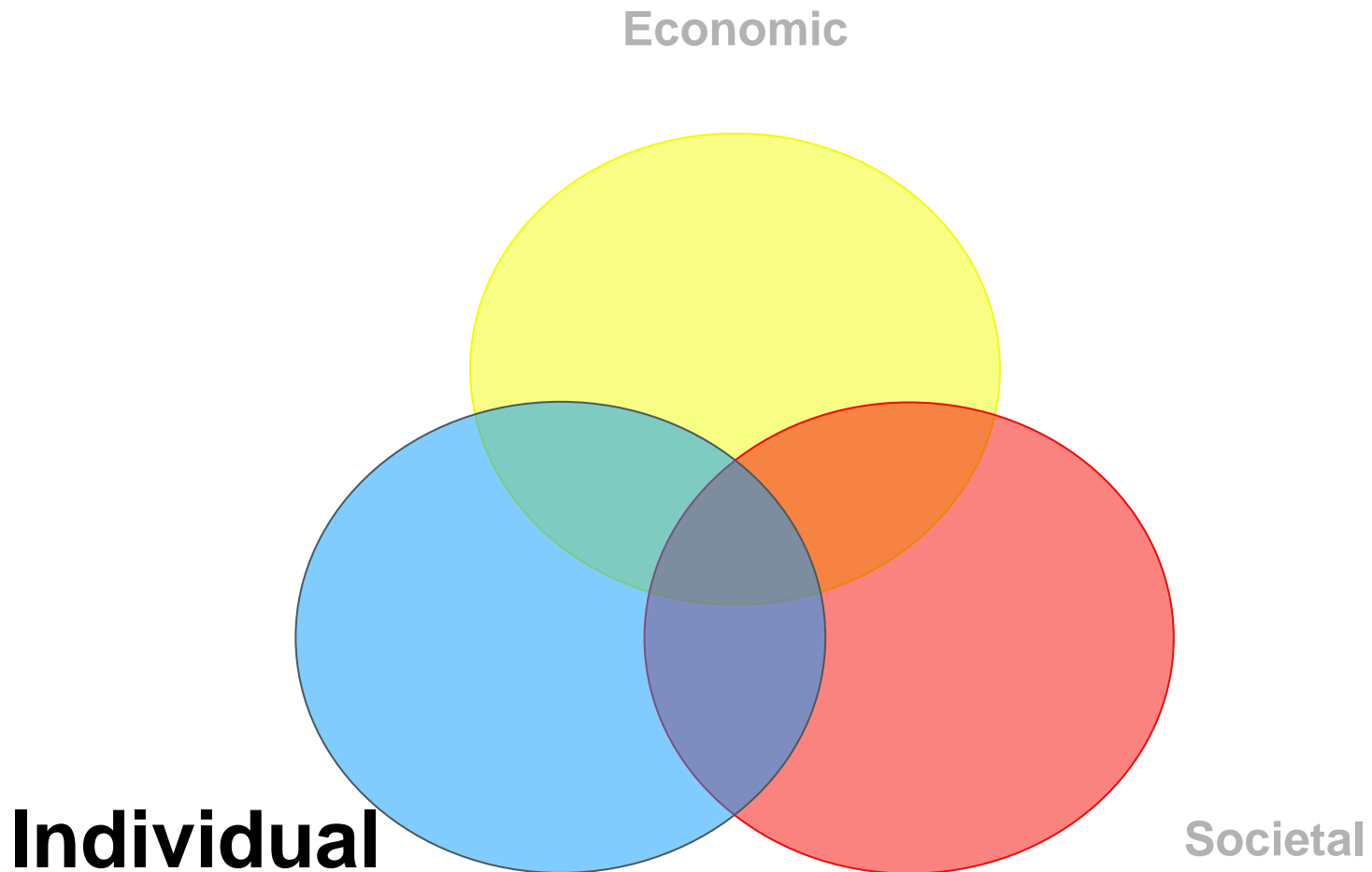
Education Matters:

High-Paying Jobs Require More Education



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What Are the Benefits?

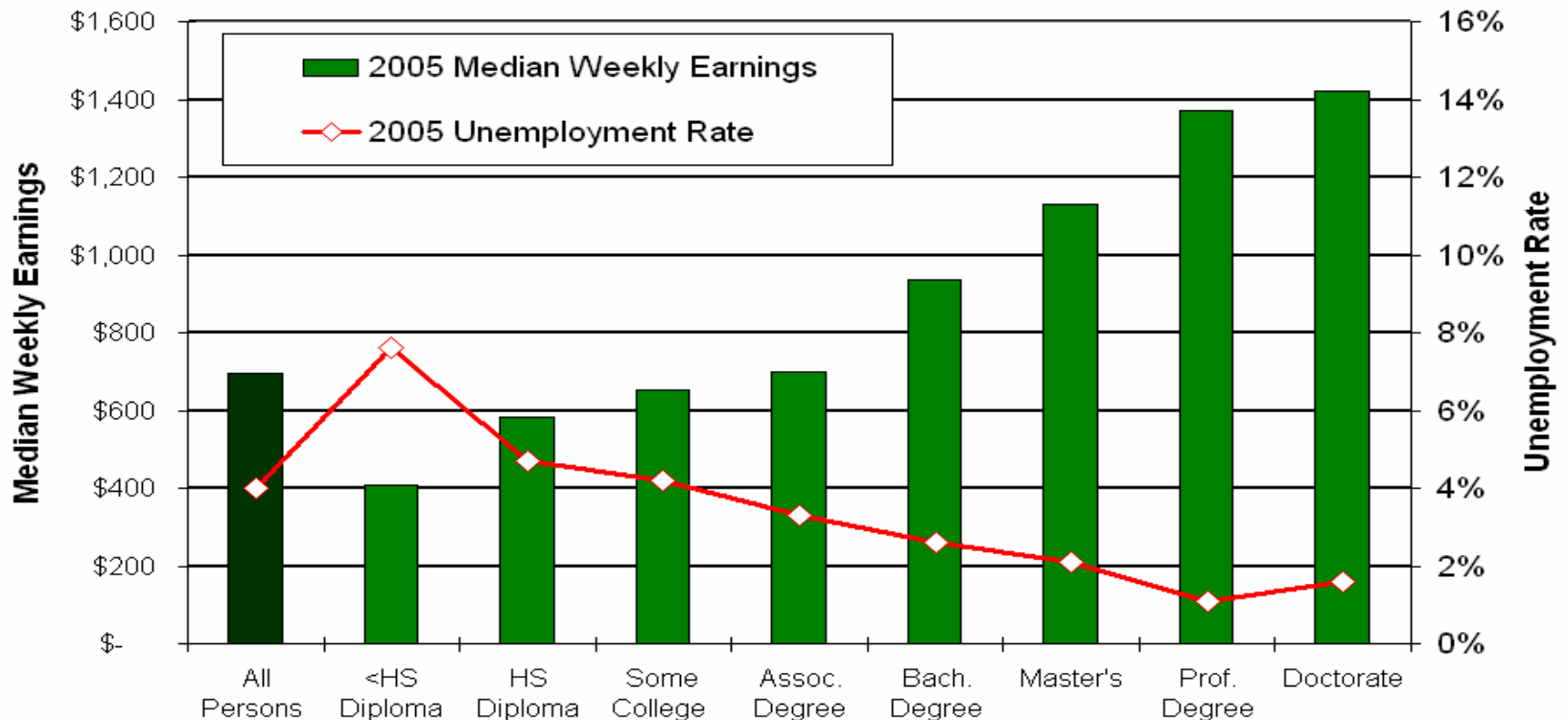


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Education Matters:

Higher Learning = Higher Earning & Lower Unemployment

**U.S. Median Weekly Earnings
by Educational Attainment - 2005 (age 25+)**



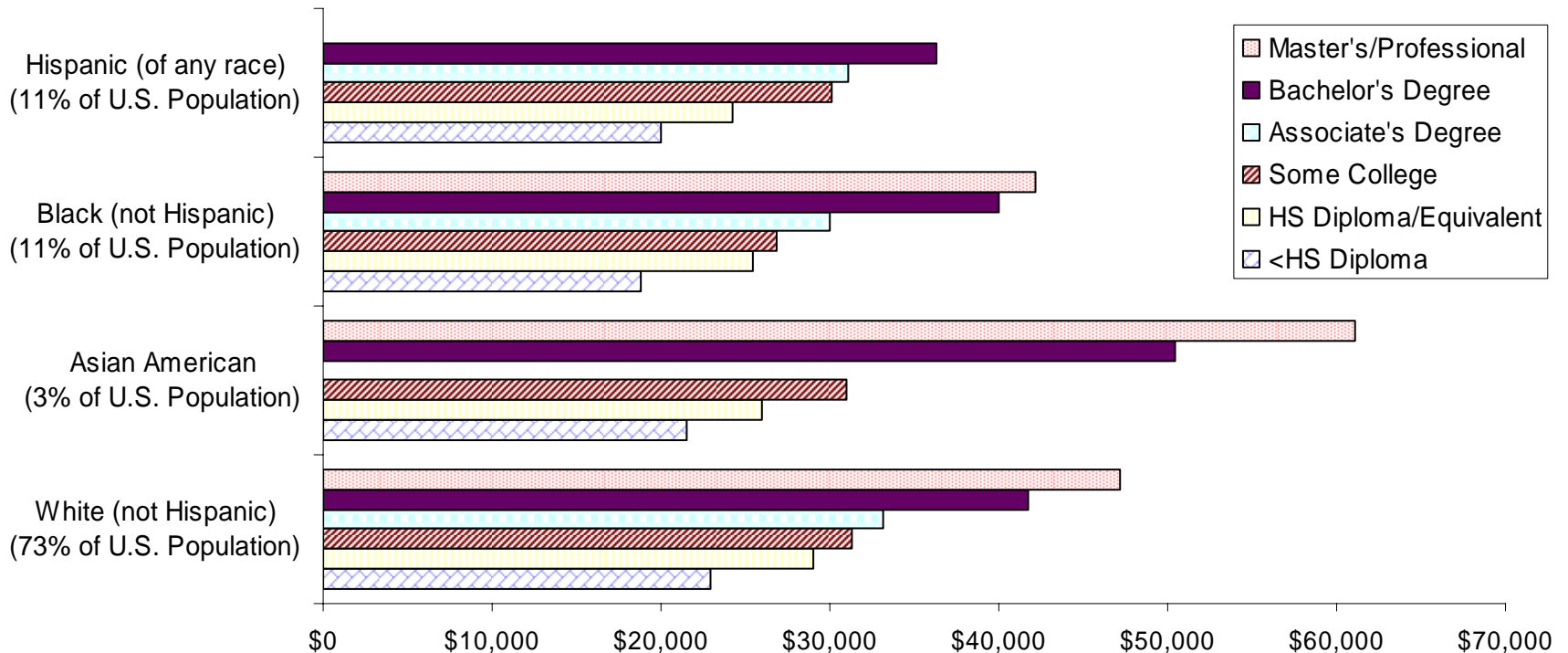
Source: U.S. Dept of Labor, Bureau of Labor Statistics

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Education Matters:

Higher Learning = Higher Earnings for All Racial/Ethnic Groups

Median Earnings by Race/Ethnicity and Education Level, 2003: Ages 25-34



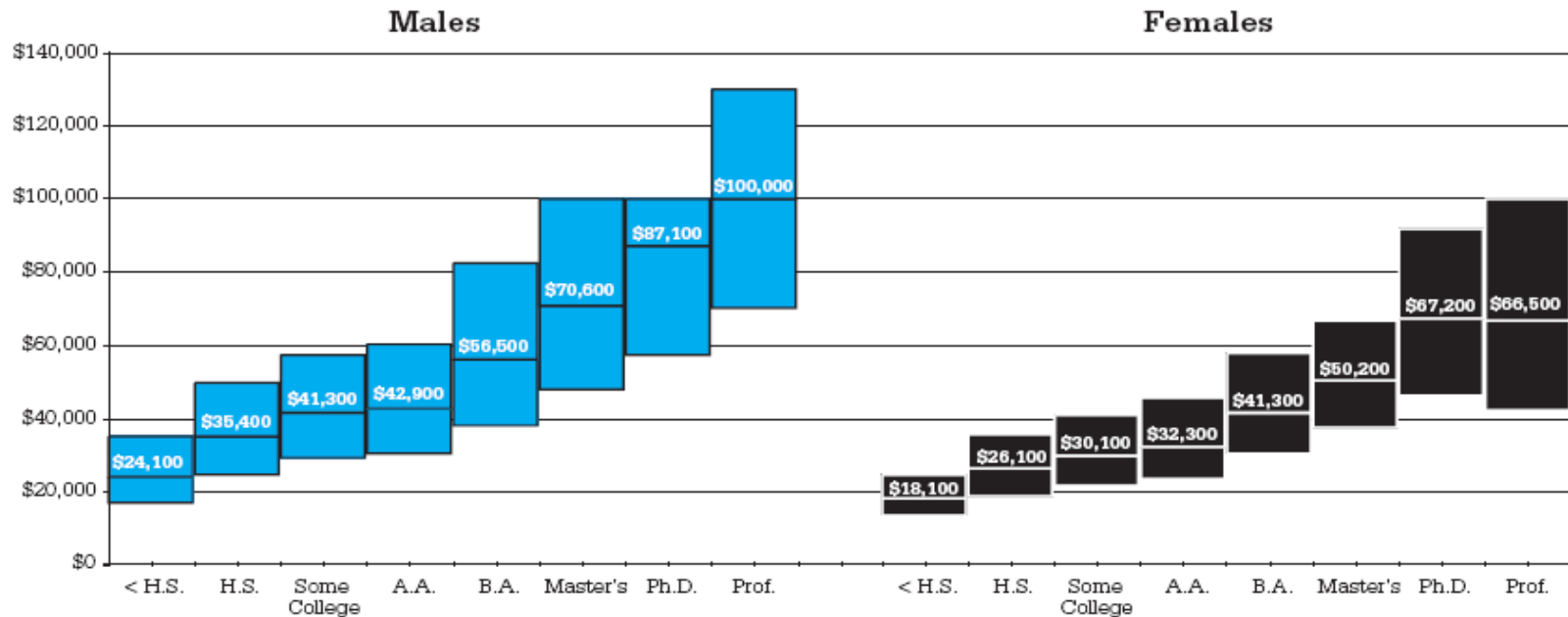
Source: Baum, S. and K. Payea. "Education Pays 2004: The Benefits of Higher Education for Individuals and Society." The College Board. Revised 2005.

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Education Matters:

Higher Learning = Higher Earning for Both Men and Women

Earnings by Gender and Education Level, 2003: 25th Percentile, Median, and 75th Percentile



Note: Includes full-time year-round workers age 25 and older.

Source: U.S. Census Bureau, 2004, PINC-03.

Source: Baum, S. and K. Payea. "Education Pays 2004: The Benefits of Higher Education for Individuals and Society." The College Board. Revised 2005.

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A \$1 investment in an Oregon community college education = \$5 in lifetime earnings

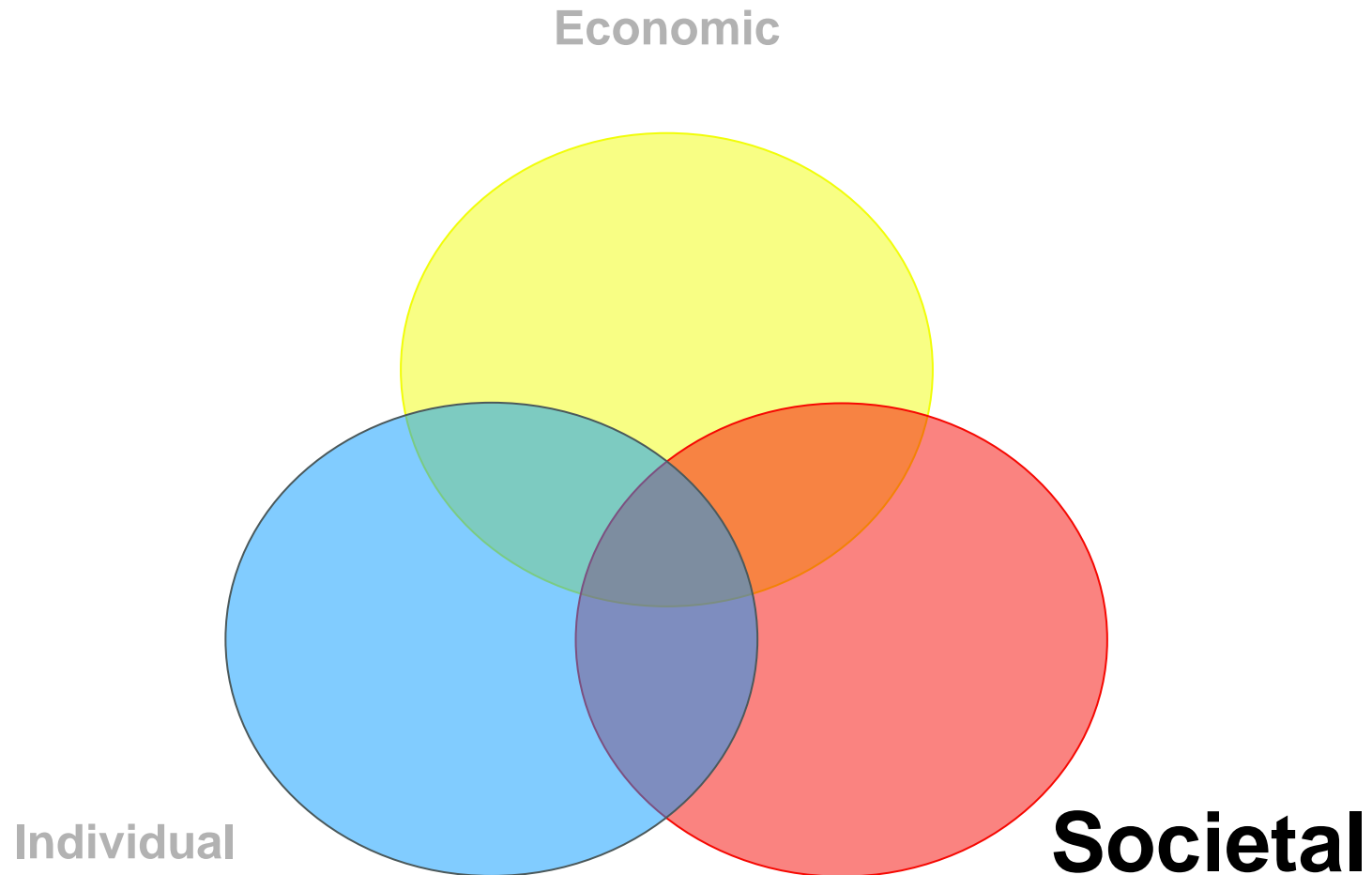


- Annual income increase of **\$85 per year** for every credit completed
- **19%** annual rate of return on student investment
- Students recover all costs in **7.3 years**

Robison, M.H. and Christophersen, K.A. (2006) "The Economic Contribution of the Community Colleges of Oregon."

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What Are the Benefits?

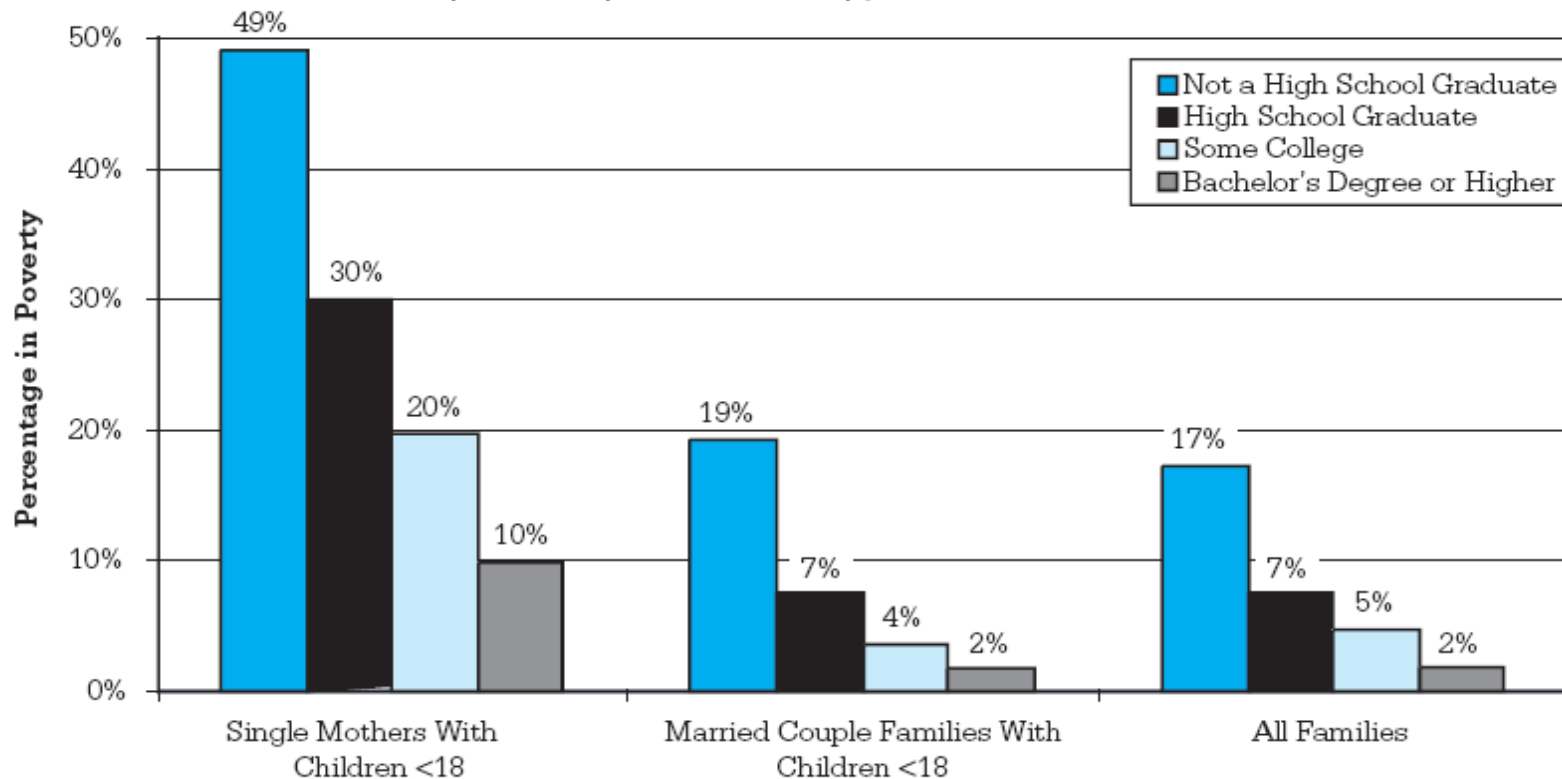


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Education Matters:

Higher Learning = Lower Poverty Rates

Poverty Rates by Household Type and Education Level, 2001



Note: Families are defined as households with two or more related individuals.

Source: U.S. Census Bureau, 2001, Table 8.

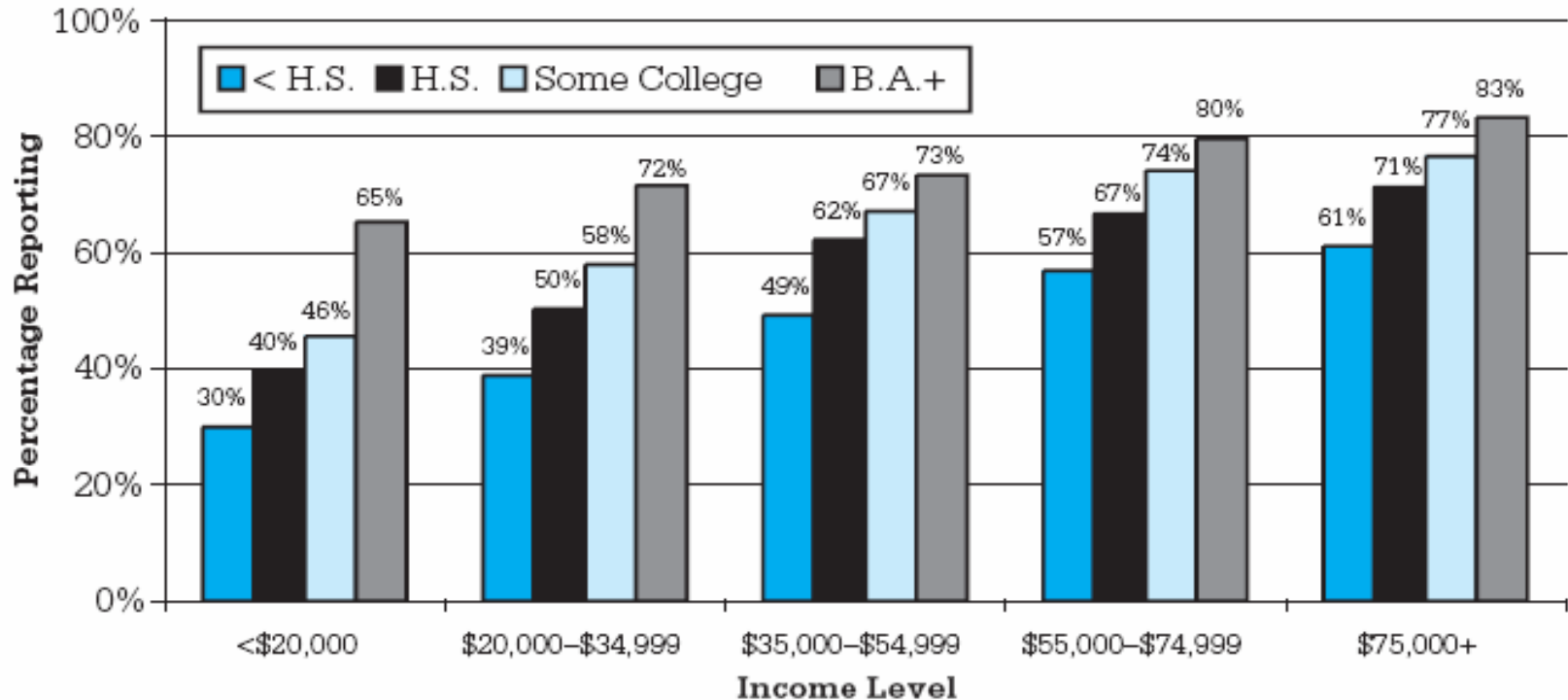
Source: Baum, S. and K. Payea. "Education Pays 2004: The Benefits of Higher Education for Individuals and Society." The College Board. Revised 2005.

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Education Matters:

Higher Learning = Higher Perceptions of Personal Health

Reporting Excellent or Very Good Health, by Income and Education Level, 2001



Note: Based on adults 25 and older.

Source: NCES, 2004, Indicator 12 (based on National Health Interview Survey, National Center for Health Statistics, 2001).

Source: Baum, S. and K. Payea. "Education Pays 2004: The Benefits of Higher Education for Individuals and Society." The College Board. Revised 2005.

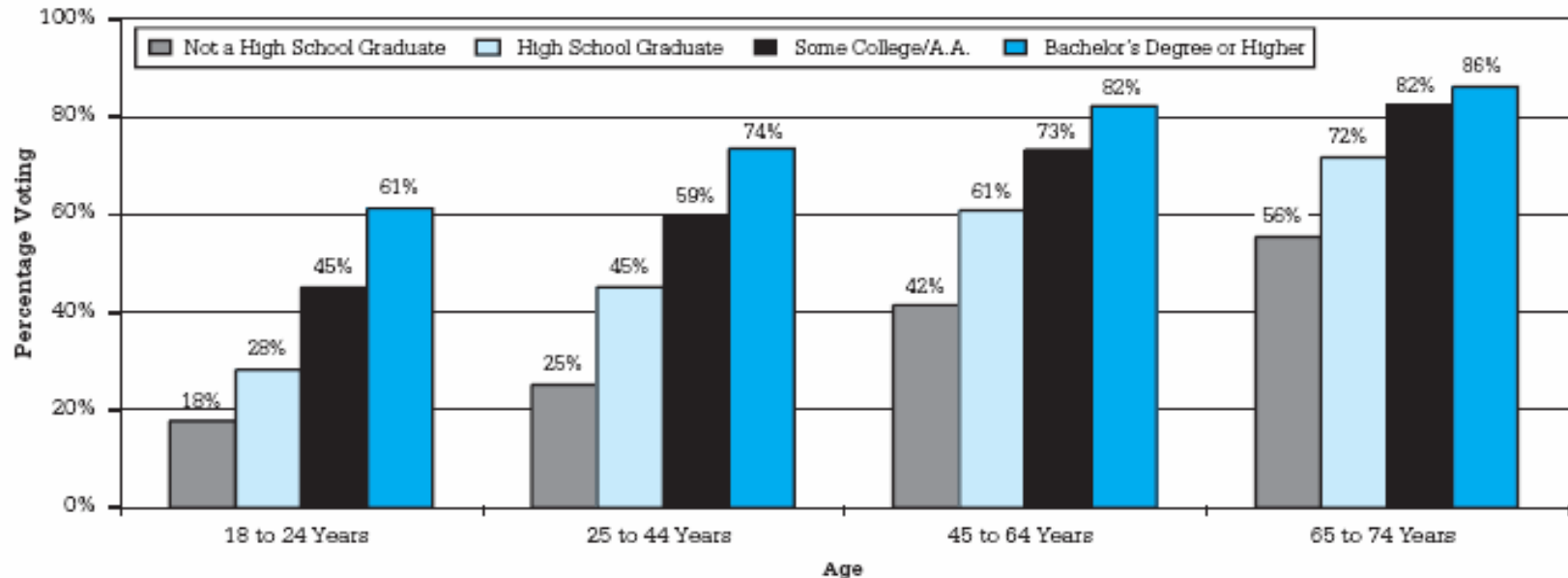
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Education Matters:

Higher Learning = Higher Community Engagement

In every age group, adults with higher levels of education are more likely to vote than those who have less education. Differences in voting rates by education level have increased over time.

Reported Voting Rates by Age and Education Level, 2000



Source: U.S. Census Bureau, 2002b, Table 5.

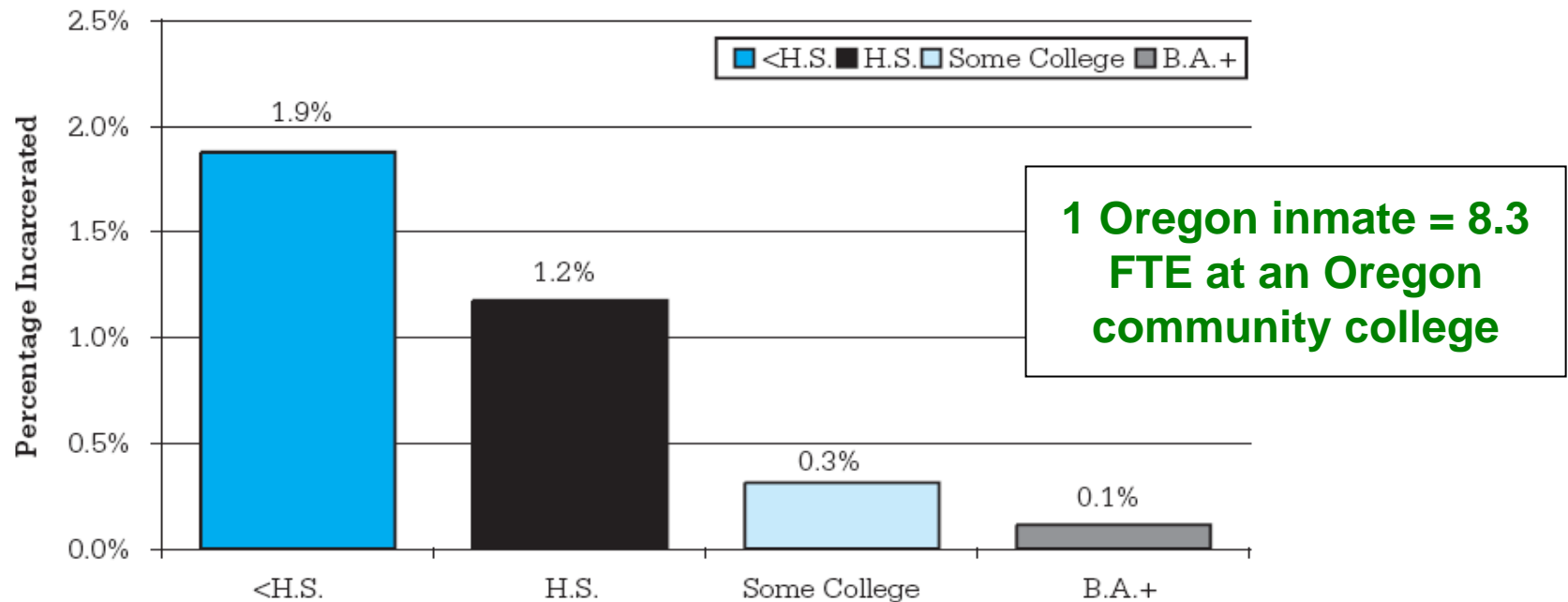
Source: Baum, S. and K. Payea. "Education Pays 2004: The Benefits of Higher Education for Individuals and Society." The College Board. Revised 2005.

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Education Matters:

Higher Learning = Lower Incarceration Rates

The incarceration rate of adults with some college education is about one-quarter that for high school graduates.



Note: Including federal, state, and local prisons.

Source: Harlow, 2003.

Source: Baum, S. and K. Payea. "Education Pays 2004: The Benefits of Higher Education for Individuals and Society." The College Board. Revised 2005.

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A \$1 investment in an Oregon community college education = \$4.60 in taxpayer returns



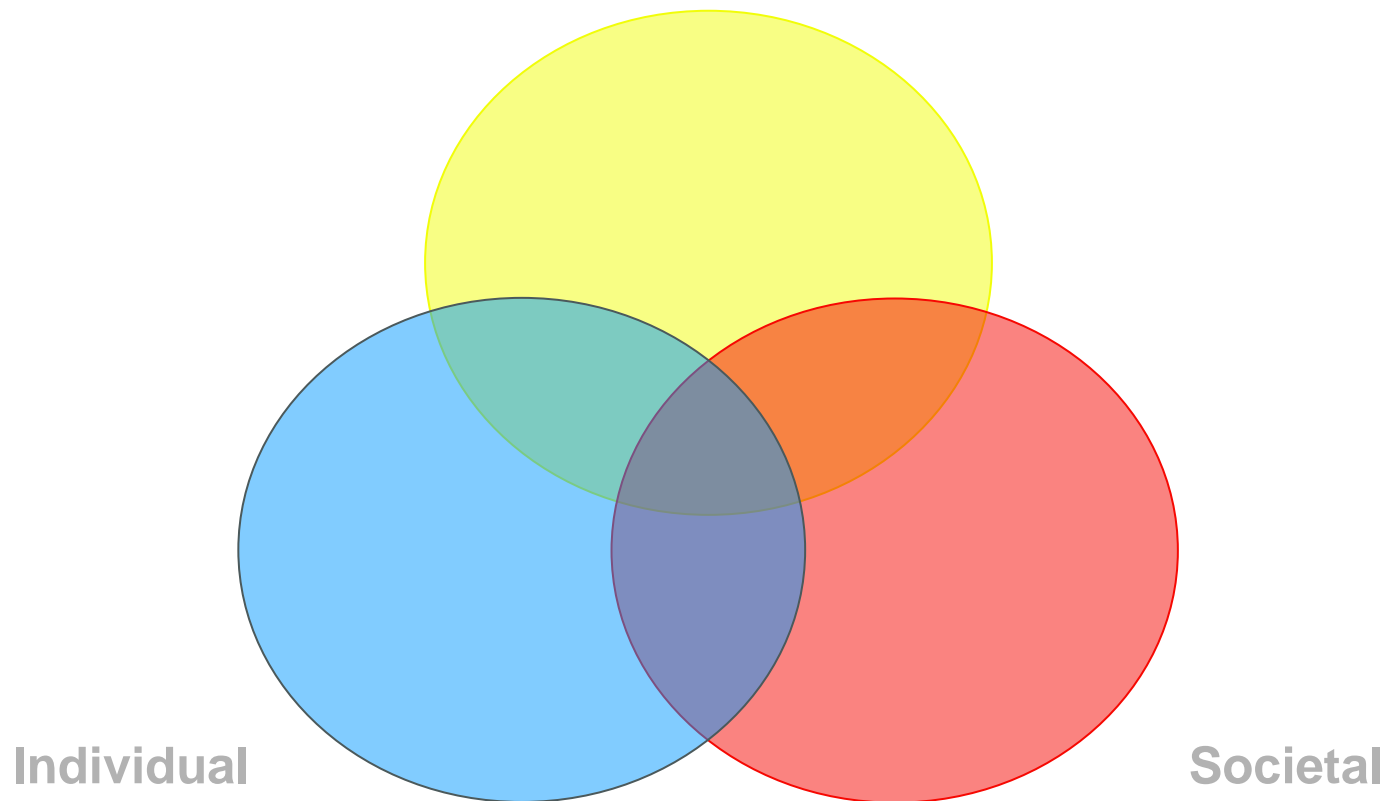
- The state **avoids \$9 in social costs** every year for each credit completed (improved health, reduced crime, and fewer welfare and unemployment claims)
- **\$39 million in social savings** for the state each year
- **19% annual rate of return** on taxpayer investment; recover all costs in **7.4 years**

Robison, M.H. and Christophersen, K.A. (2006) "The Economic Contribution of the Community Colleges of Oregon."

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What Are the Benefits?

Economic

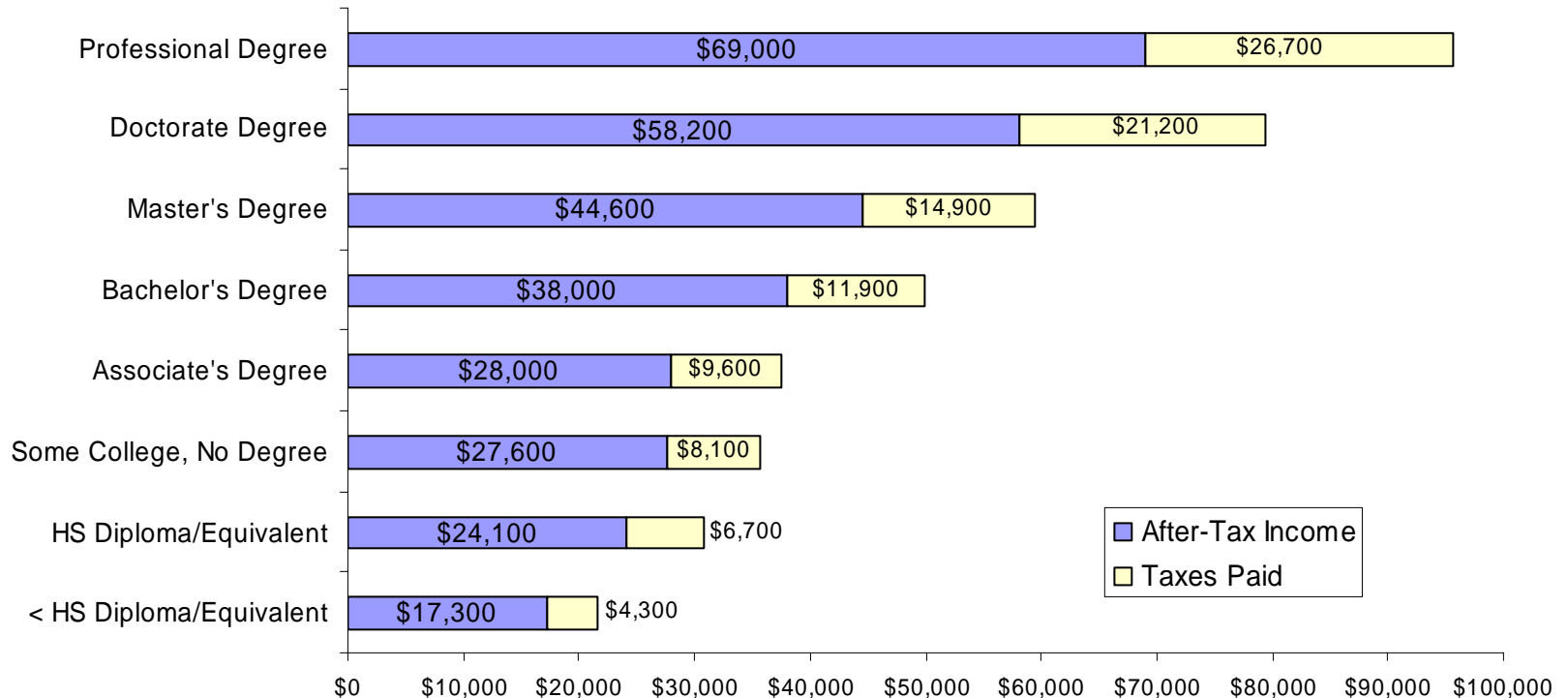


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Education Matters:

Higher Learning = Higher Taxable Income

Median Earnings and Tax Payments by Level of Education, 2003



Source: Baum, S. and K. Payea. "Education Pays 2004: The Benefits of Higher Education for Individuals and Society." The College Board. Revised 2005.

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Oregon Community Colleges Are Engines of Economic Growth

- Students contribute to local economies: **93% of CC students** stay in the region after leaving a community college
- Students generate **\$382 million more in taxable income annually** due to education received at Oregon community colleges
- The economy of the State of Oregon receives roughly **\$345 million in regional income** each year from college operations and capital spending
- Community college skills embodied in the workforce **increase regional income by \$8 billion**; other indirect effects add an **additional \$2 billion**

The state economy is *\$10.4 billion* stronger each year because of community colleges

Robison, M.H. and Christophersen, K.A. (2006) "The Economic Contribution of the Community Colleges of Oregon."

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Who Benefits Most?

Contrary to conventional wisdom, it's the public who benefits most

Benefits of one Credit Hour Earned (CHE):

- Students = **\$51** annual increase in after-tax earnings
- Oregon = **\$105** in added annual income growth and social savings



Robison, M.H. and Christophersen, K.A. (2006) "The Economic Contribution of the Community Colleges of Oregon."

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Where Does Oregon Want to Be By 2025?

Education Enterprise Target

By 2025, 40% of Oregonians have a bachelor's degree or higher, 40% have a post-secondary professional certification/associate degree and 20% have a high school diploma as highest level of education.

Education Enterprise Outcomes

- Learners are well prepared for educational advancement, employment, and citizenship
- Learners successfully progress in their current education environment
- Quality education is available and affordable
- Oregon workers have the training and education they need to raise their skills and to help Oregon businesses remain competitive in a global economy
- Education Enterprise services further benefit Oregon's economy and communities

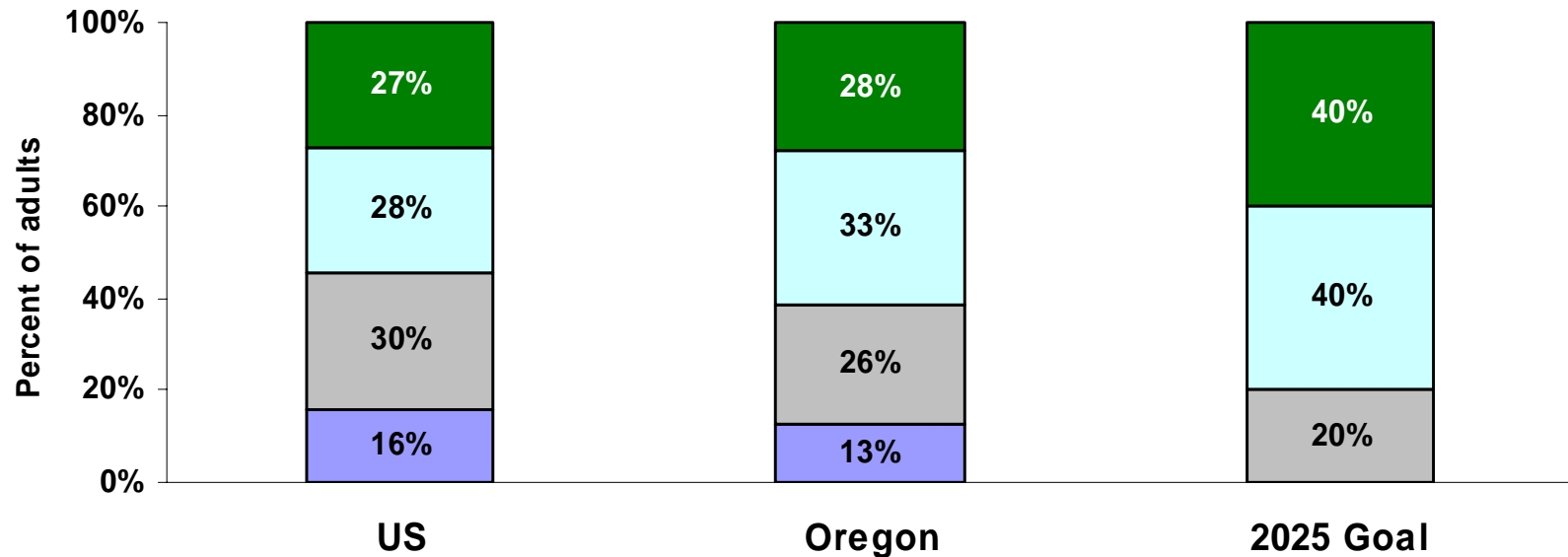


Photograph by Susan Garrett Crowley

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Where is Oregon Now?

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

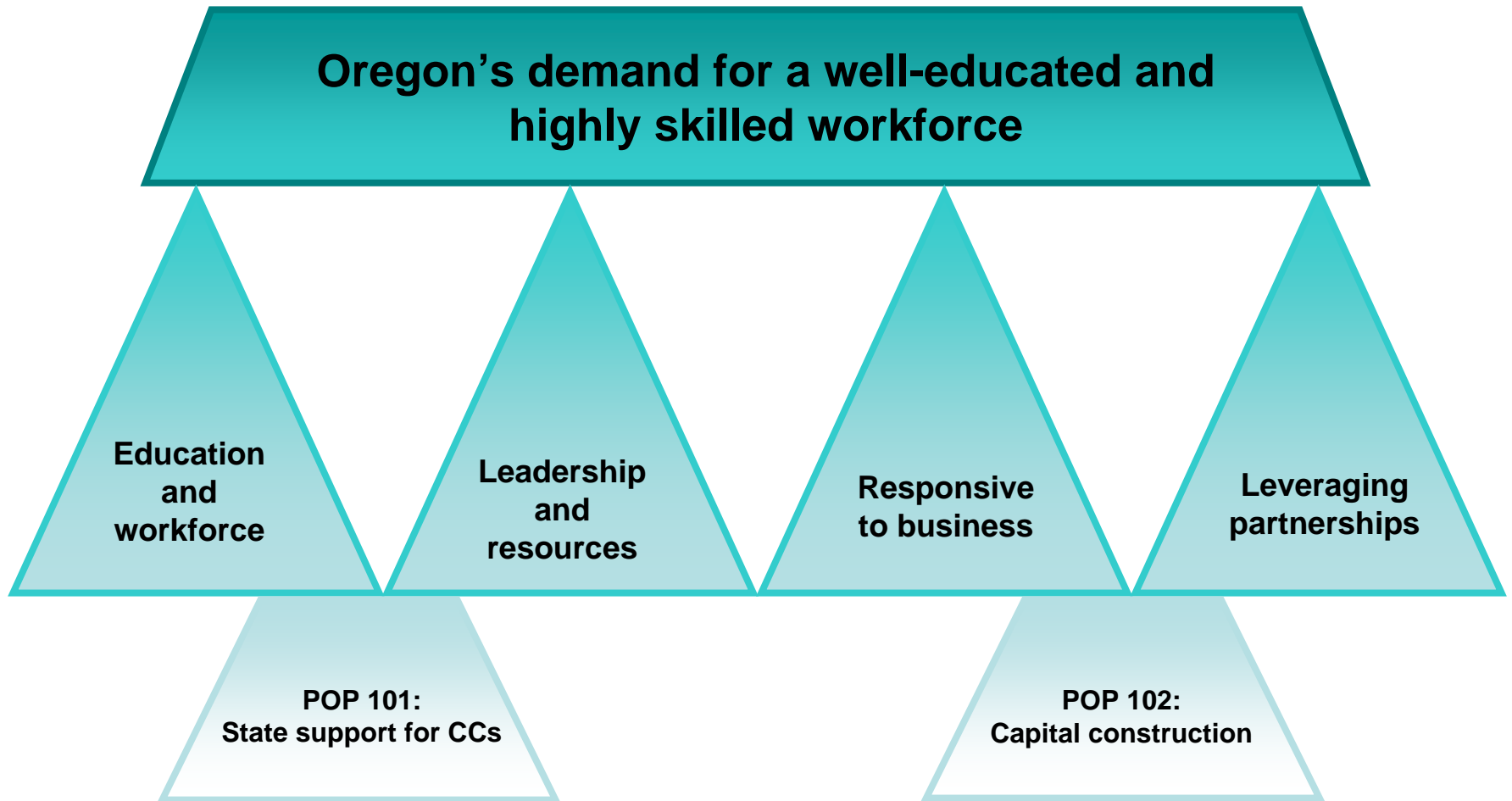


■ NO HS diploma ■ HS Diploma □ Associate's Degree, Some College ■ Bachelor's Degree or Higher

U.S. Census Bureau: 2005 American Community Survey

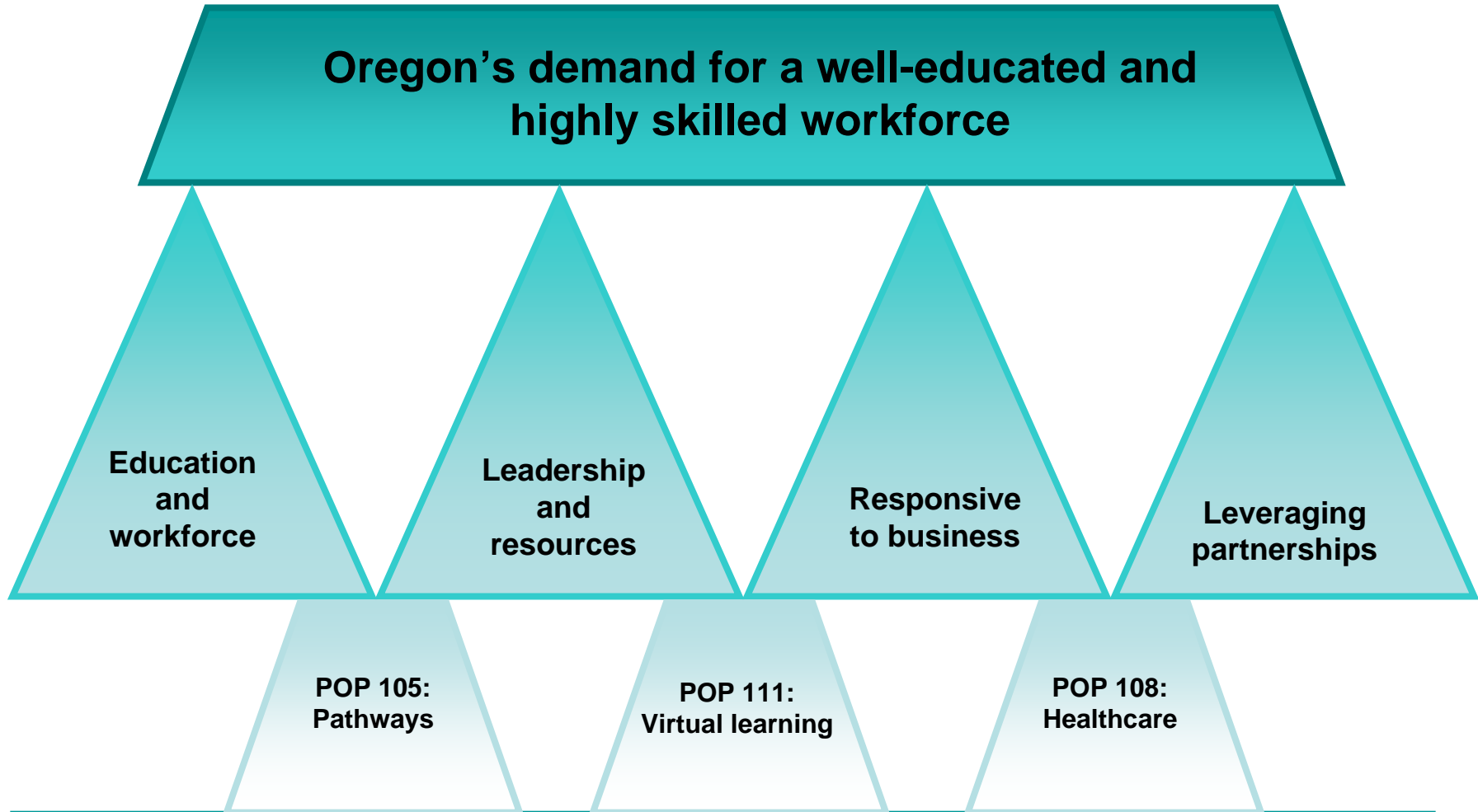
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Success Requires Strong Community Colleges



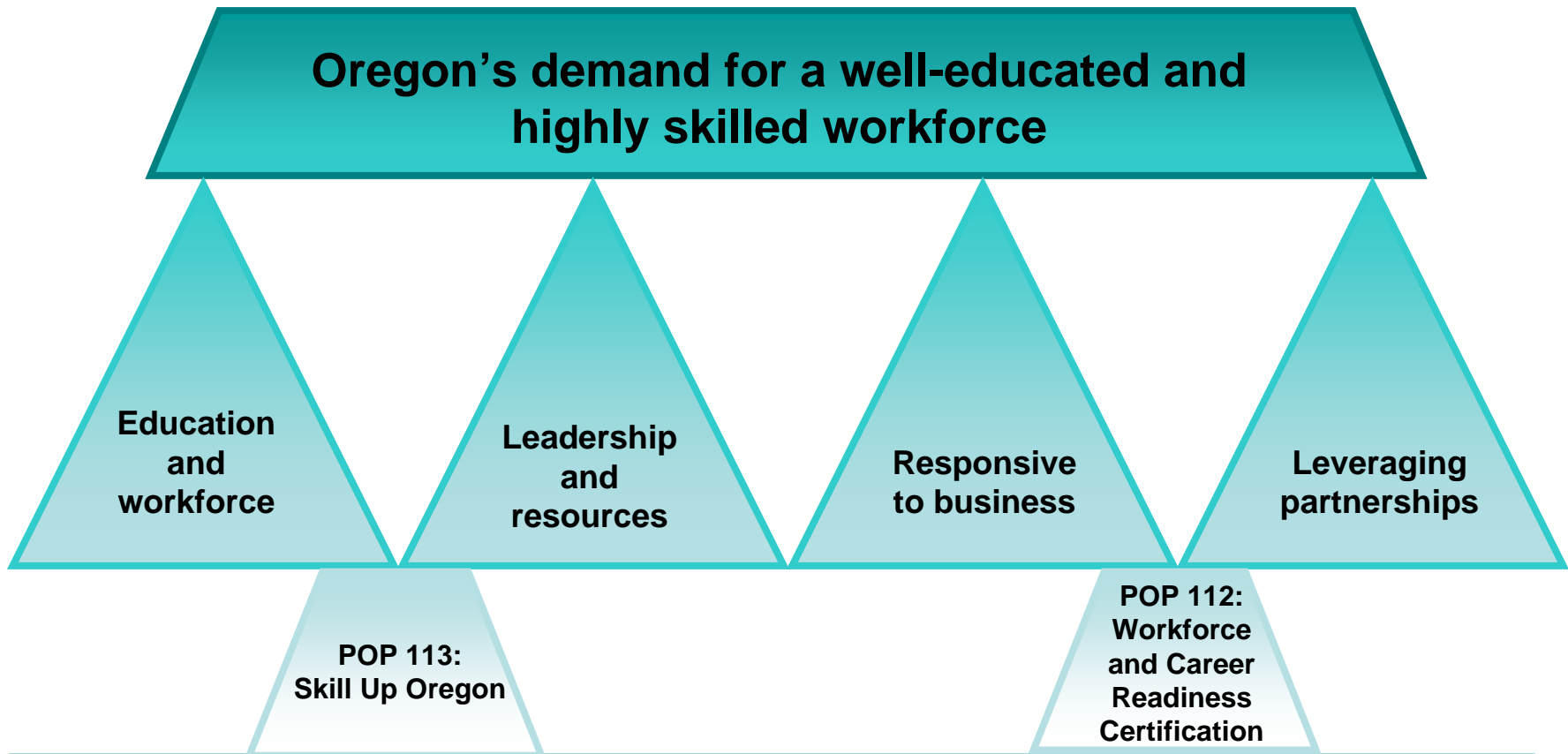
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Success Requires Career Advancement Opportunities



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Success Requires Career Preparation and Readiness



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Leadership and partnerships will improve programs, promote better outcomes and target scarce resources effectively

Photograph by Susan Garrett Crowley

Education and Workforce Leadership

- Adult Literacy Survey
- Alignment and Articulation between PK-12, CC and OUS
- Alternative Secondary Credentials/Adult High School Diploma/GED
- Apprenticeship Partnerships
- Bond Debt Management
- Capital Construction
- College Now/Dual Credit/Expanded Options
- Community College Handbook Online
- Employer Workforce Training Fund
- Launch Pathways Initiative with Incentive Grants
- Optional Retirement Plan for Community Colleges
- Pathways to Advancement
- PK-20 Education Enterprise
- Positive Youth Development
- Skill Up Oregon
- Statewide Healthcare Capacity Inventory
- Strategic Planning with Board of Education, Oregon Workforce Investment Board
- Student Success and Retention
- Work/Career Readiness Certification

Success Requires the Capacity to Partner Effectively





Increased data collection and reporting requirements will lead to greater accountability and program improvement

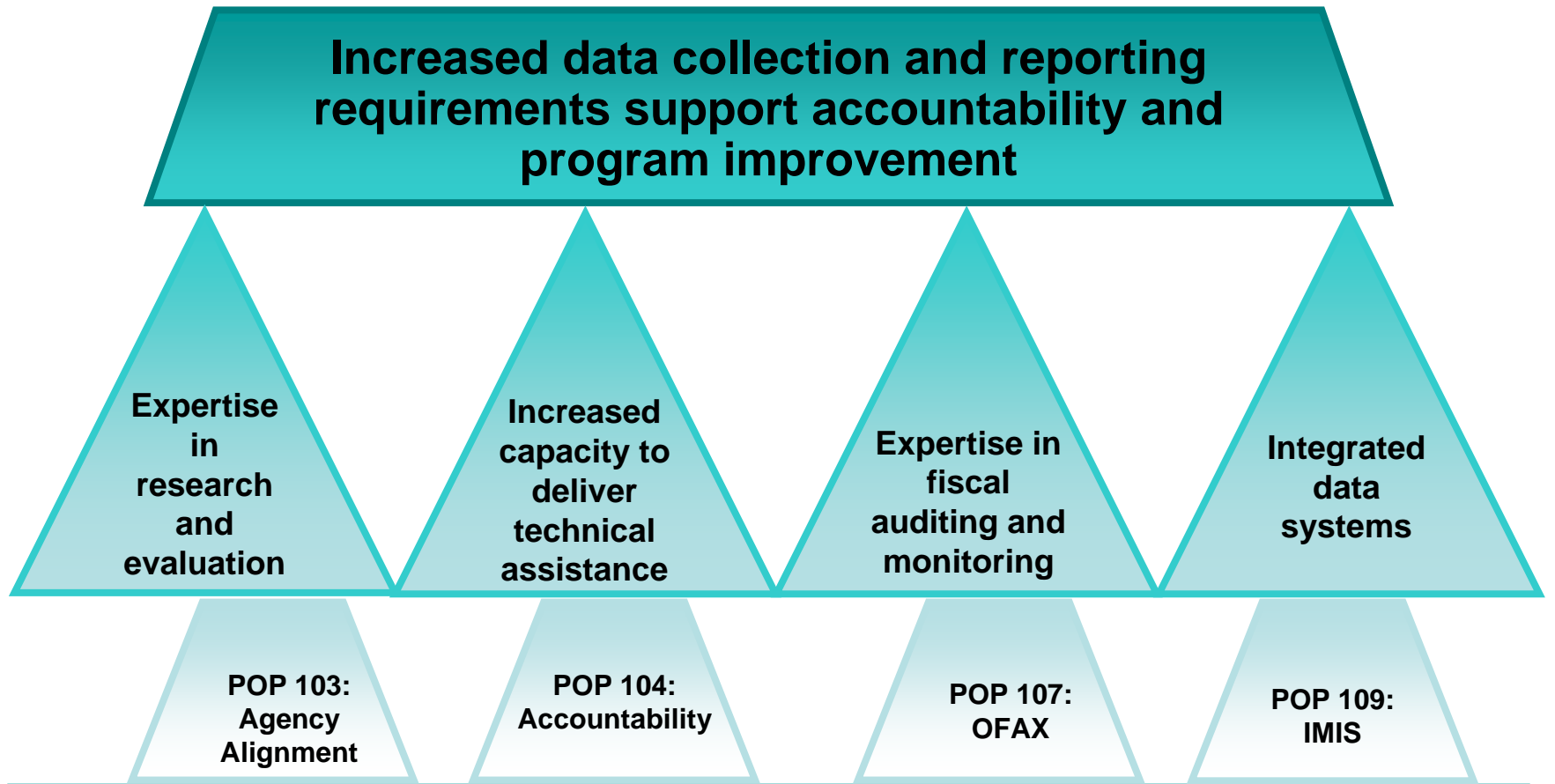
Increasing State, Regional and Local Reporting Requirements

- Number of Key Performance Measures doubled in 2005-07
- Community College “4 A’s” Report introduced in 2001-03
- Need for accessible standard reporting for community colleges and workforce providers
- Increases in required fiscal monitoring and auditing of agency and local partners
- Introduction of on-site and remote community college enrollment audits
- Oregon Literacy Survey conducted

Increasing Federal Reporting Requirements

- Number of Workforce Investment Act (WIA) Title IB federal reporting elements increased from 164 to 258
- Increased required monitoring of local workforce data
- Federal performance measures now include US Office of Management and Budget Common Measures
- Introduction of Adult Basic Skills performance-based funding
- Adult Basic Skills quarterly data monitoring and local program reviews
- Reauthorization of Carl Perkins led to standardization of outcome measures and requirement for industry-approved assessments

Success Requires Expertise and Integrated Data Systems

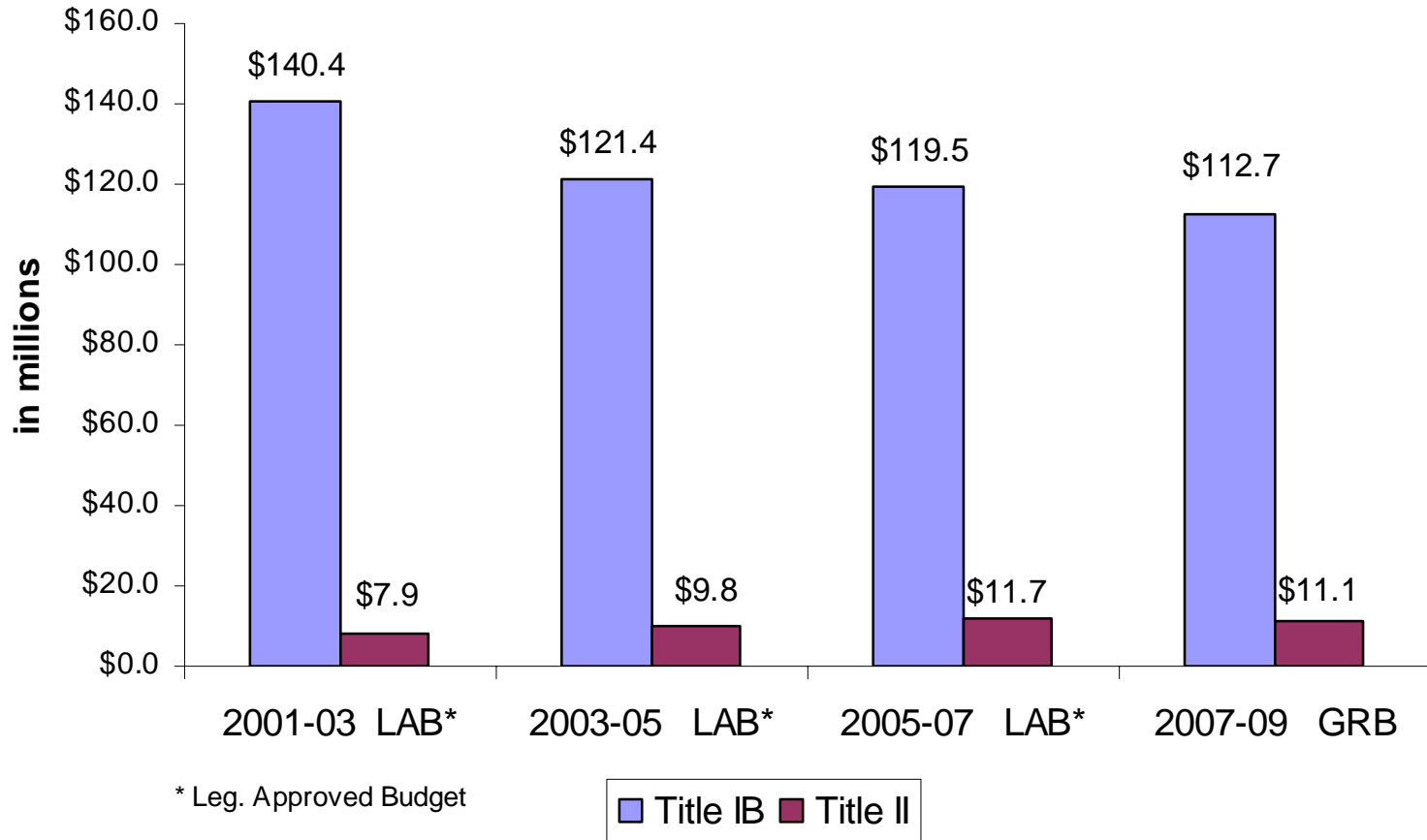


Increased data collection and reporting requirements



**Strengthening and rebuilding education and workforce programs will help us achieve two of the *Oregon Shines* strategic goals:
Quality jobs for all Oregonians and
Safe, caring and engaged communities.**

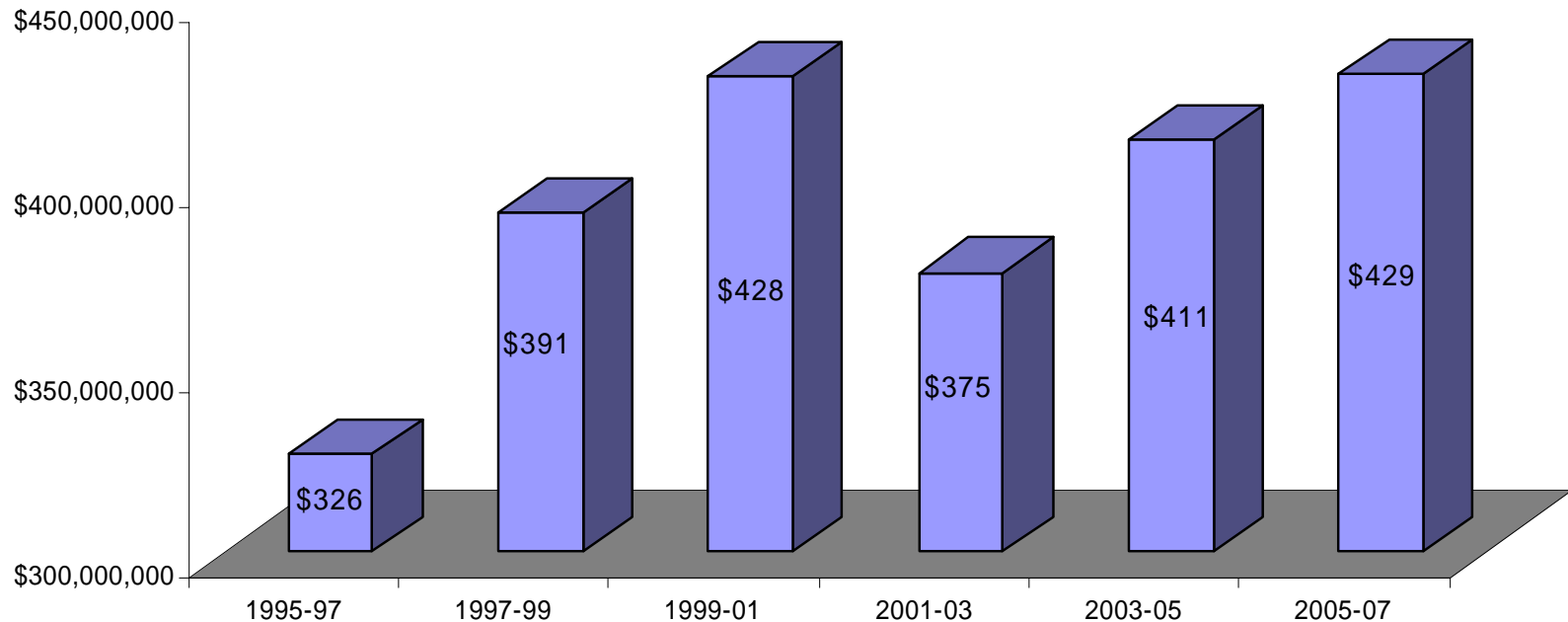
Federal Funds: Workforce Investment Act Title IB and Title II



Strengthening and rebuilding education and workforce programs

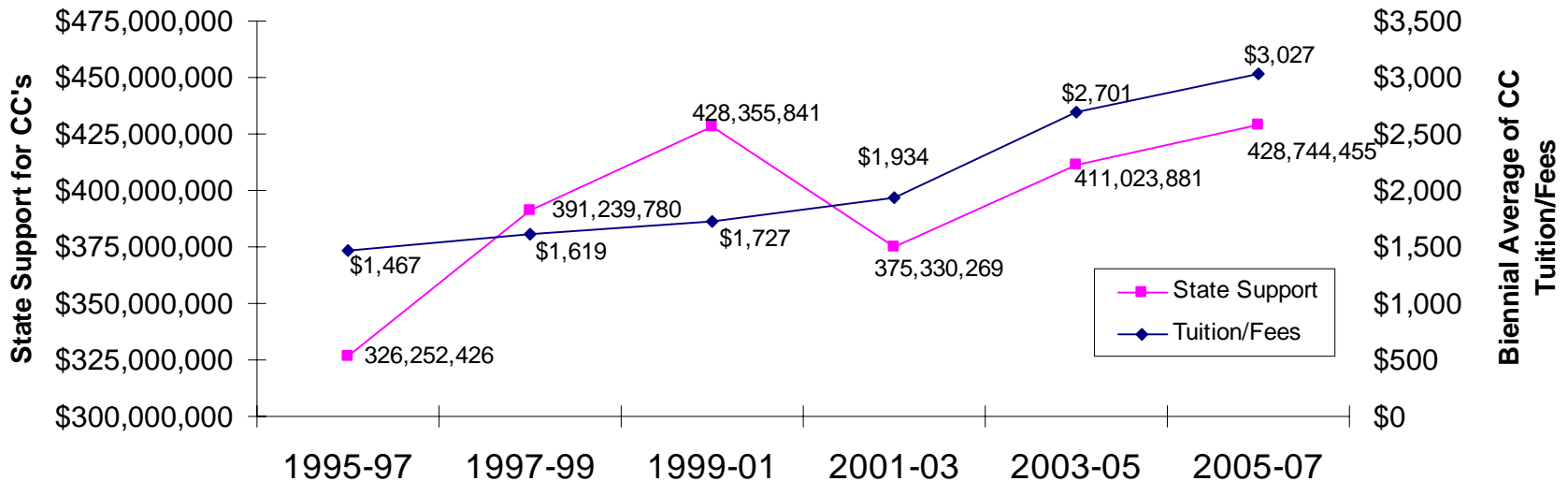
Oregon Began to Rebuild Its Community Colleges in the Last Biennium

State Appropriations to Community Colleges



The Loss in State Support Resulted in a Rise in Tuition...

State Support and Tuition/Fees Per Biennium

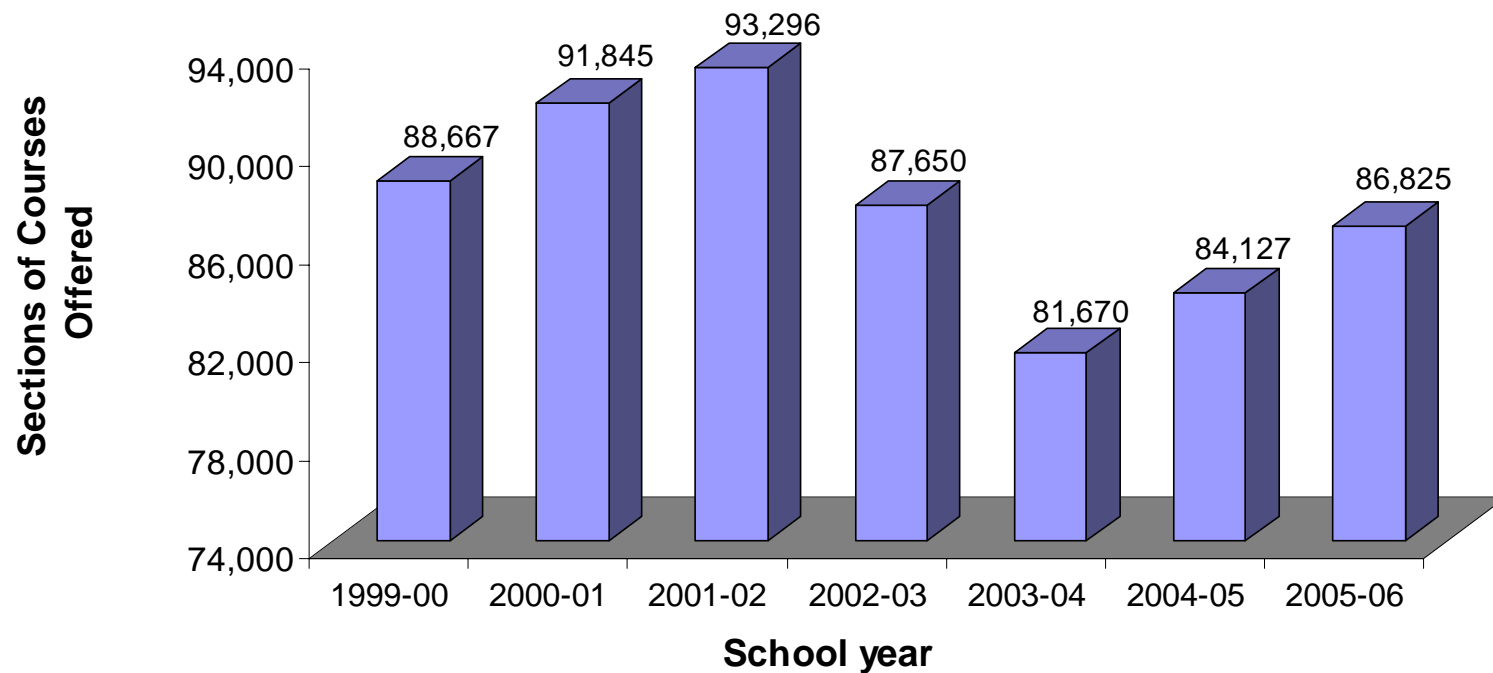


**In the five years from 1997 to 2002, annual tuition and fees rose only 24%.
In the five years from 2002 and 2007, annual tuition and fees rose 59%.**

Strengthening and rebuilding education and workforce programs

...And a Loss of Courses Available to Students

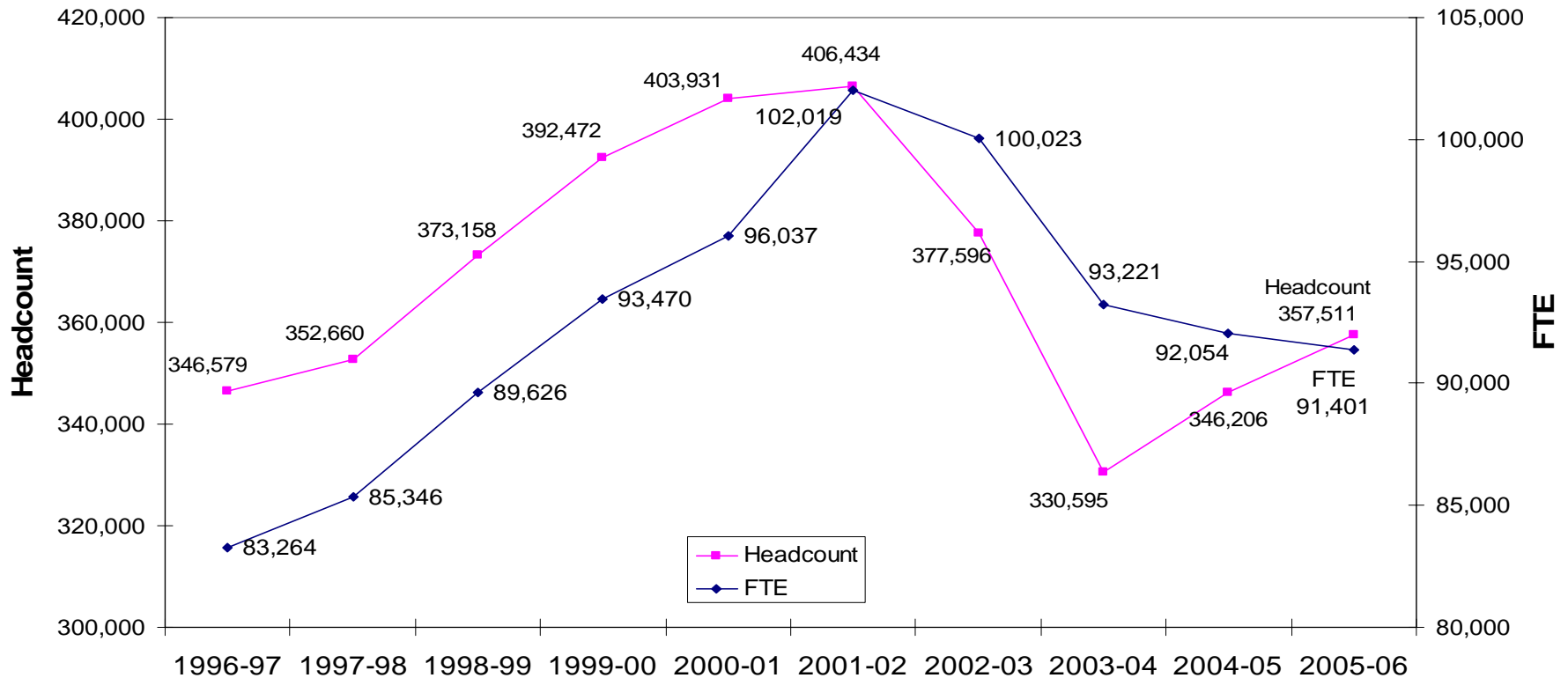
Course Sections Offered Statewide



Strengthening and rebuilding education and workforce programs

Higher Tuition and Fewer Course Sections = Lower Enrollments

Community College Headcount and Full-Time Equivalent Enrollments



Between 2002 to 2006, FTE dropped 10%.

Between 2002 and 2004, headcount dropped 19% and is now beginning to recover.

Strengthening and rebuilding education and workforce programs

Success Requires Renewed Investment

Need to strengthen and rebuild programs and services following recession and disinvestment

**Investment
in
community
colleges**

**Funding for
capital
construction**

**Investment in
skills training**

**POP 101: State
support for CCs**

**POP 102:
Capital
Construction**

**POP 113:
Skill Up Oregon**

Strengthening and rebuilding education and workforce programs

CCWD Is Seeing Positive Results in Most Key Performance Measures

- ↔ 76% GED pass rate (KPM 1)
- ↑ Following the recession, now seeing gains in employment rates for older youth and adults and wages for dislocated workers (KPM 3, 4, 5)
- ↑ Nursing completion rate up 13% from last year (KPM 8)
- ↑ SBDC startups at 80% (KPM 9)
- ↑ Licensing/certification rates and employer satisfaction with BITS services >90% (KPM 10, 11)
- ↑ Slight increase in rate of lower division students transferring to OUS (KPM 14)
- ↔ Oregon's CC tuition/fees dropped from highest to 3rd highest in western states (KPM 16)
- ↑ High school participation in college credit courses up 8% last year (KPM 17)
- ↑ CCs continue to serve a higher proportion of minority students compared to the state's population (KPM 18)
- ↑ Exceeded all customer service targets (KPM 19)

But the Effects of the Recession and Subsequent Resource Losses Are Apparent in Several Measures

- ↔ Percentage of at-risk youth remaining in/returning to school has been relatively flat for several years (KPM 2)
- ↓ 1% decrease in current workers retaining employment after training (new KPM 6)
- ↓ Recession led to a downward trend in percentage of students completing basic skills and ESL programs successfully (new KPM 7)
- ↔ Rate of completion of PT degrees/certificates dropped in response to the loss of sections, but still exceeds target (KPM 12)
- ↓ Slight downward trend in rate of associate's degree completions (new KPM 13)
- ↓ Drop in percentage of CC students persisting to a second year at OUS (new KPM 15)

Tomorrow...

Given Education Matters: How Are Community Colleges and Workforce Development Programs Providing Results?

1. Are Oregonians prepared for life, work and careers in Oregon?
2. Are more Oregonians ready for postsecondary education and training?
3. Is Oregon postsecondary education affordable?
4. Do more Oregonians have certificates and degrees?
5. Are Oregon's people, communities, employers and economy benefiting?

