



OREGON HIGHER EDUCATION UPDATE

Oregon State University
Board of Trustees Meeting

Ben Cannon, Executive Director, HECC

MAY 9, 2025



Outline

HECC: A brief introduction

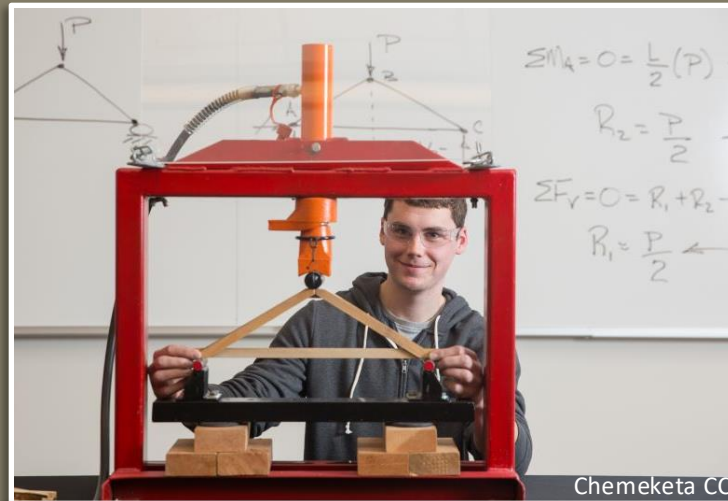
Our Shifting Context

The Return on Investment for Higher Education

Oregon Funding for Higher Education

A Strategic Plan for Advancing Oregon Higher Education

INTRODUCING THE OREGON HIGHER EDUCATION COORDINATING COMMISSION

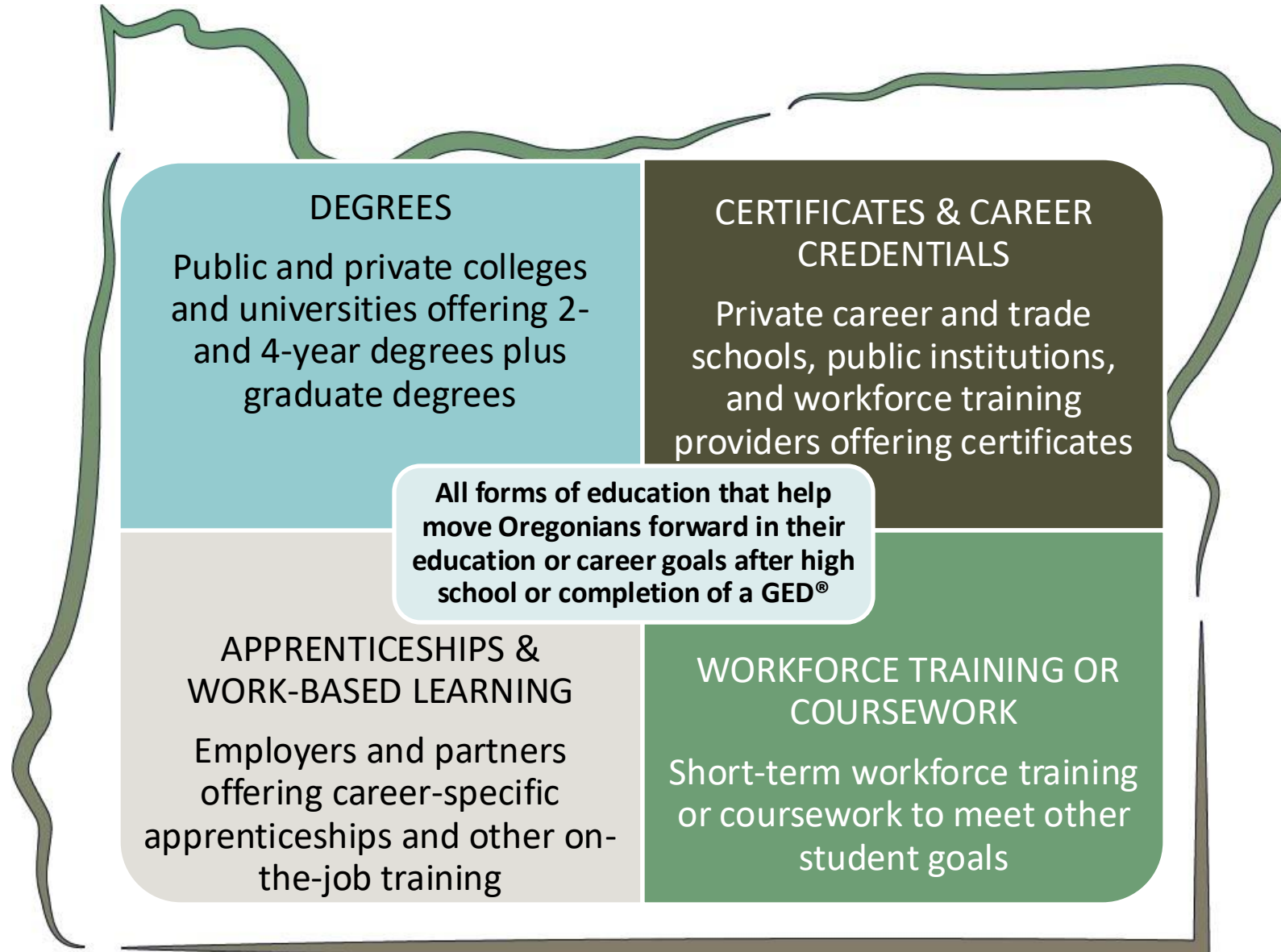


A Vision for the Value for Oregon Postsecondary Education

“The Oregon Higher Education Coordinating Commission (HECC) envisions a future where all people benefit from the economic, civic, and cultural impact of high-quality postsecondary education, training, and workforce development.”

From the HECC Strategic Plan, 2024

DEFINING TERMS: What Do We Mean by “Higher Education” or Postsecondary Education?



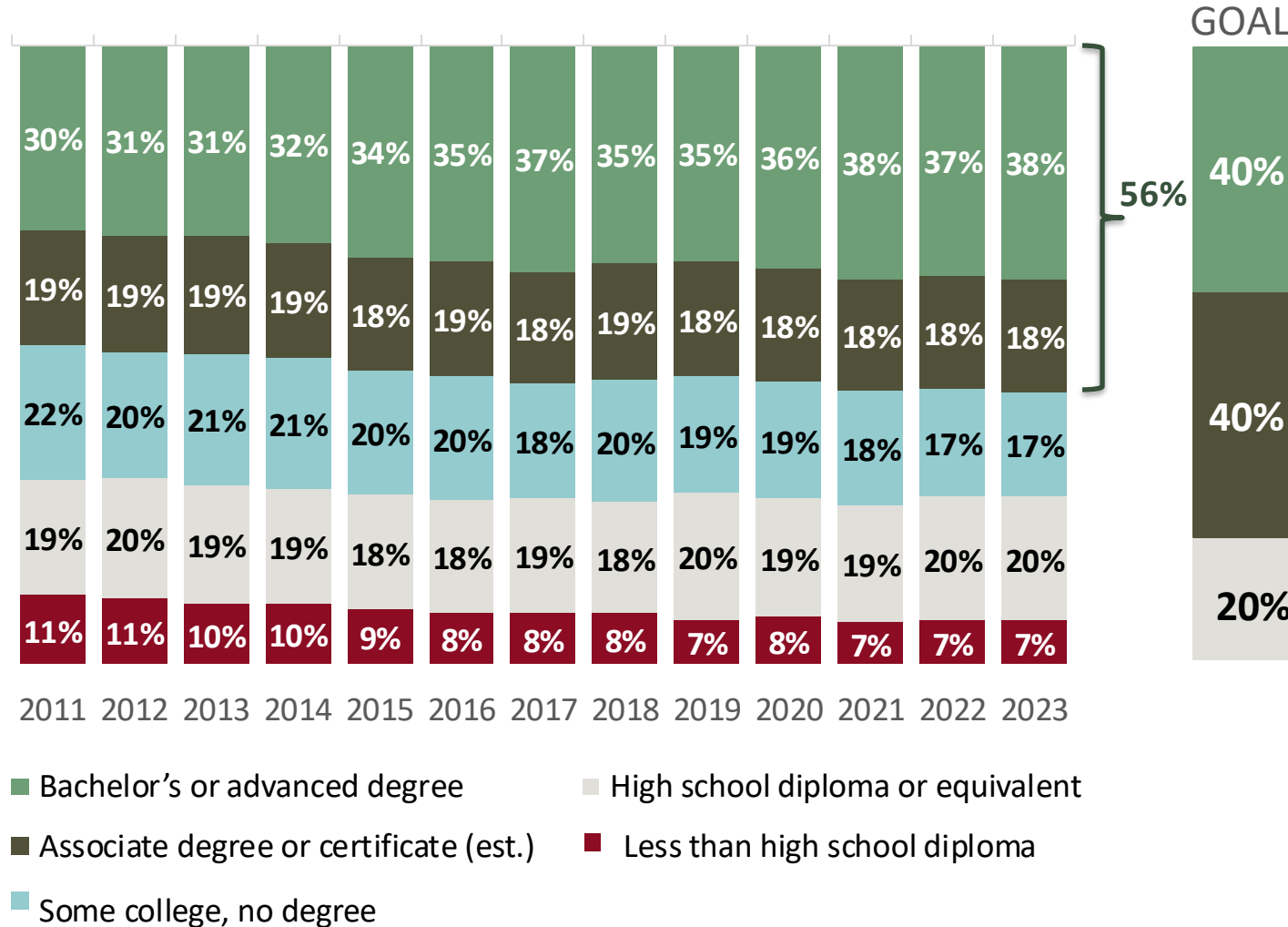
Progress Toward Oregon’s 40-40-20 Educational Attainment Goal

PROGRESS TOWARD 40-40-20: Percentage of All Young Adults With Increasing Levels of Education and Training

Key Performance Measure #4

The share of young Oregonians with a postsecondary credential has risen slightly in the last few years, though attainment remains well behind the 80% goal.

Rates come from survey data, which can have slight fluctuations from year to year.



Source: US Census Bureau American Community Survey (ACS), Table #B15001, 1-year estimates. Includes current Oregon residents who completed their education and training in other states, before becoming an Oregon resident. Estimates of certificate attainment derived with estimates from Ewert, S. & Kominski, R. (2014). *Measuring Alternative Educational Credentials*, Household Economic Studies (pp. 70-138). <https://www2.census.gov/library/publications/2014/demographics/p70-138.pdf>.



Snapshot of HECC Responsibilities



The HECC supports state goals for postsecondary education and training by a wide range of policy and funding strategies, including:

- Setting a strategic vision for postsecondary education and training and advising state leaders;
- Administering the statewide higher education and workforce biennial budget of approximately \$4.1 billion (2023-25), establishing methodologies for distributing public funding to community colleges, universities, students, workforce boards, and other partners;
- Coordinating postsecondary degrees, programs, and academic pathways;
- Administering statewide financial aid, workforce, and educational programs;
- Research, evaluation, and analysis.

We also directly serve Oregonians by awarding grant and scholarship aid to students and connecting Oregonians with workforce and training resources.

Learn more:

www.oregon.gov/highered/about/Pages/default.aspx

HECC History: Significant Changes

2011-2013

- **In 2011, HECC is established with limited authority, no agency.**
- **The Legislature in 2013 vests HECC with current authorities and some agency functions are first funded.**
- The Oregon Student Access Commission (OSAC) is renamed Office of Student Access and Completion, and authority shifts to the HECC.
- Board authority related to Community Colleges and Workforce Development (CCWD) moves from ODE to HECC.

2014-2016

- **The Oregon University System (administrative function for the State Board of Higher Education) sunsets, and some former OUS functions move to the HECC.**
- **Institutional boards of trustees approved by Legislature in 2013 assume authority** for largest 3 public universities first, followed by the 4 regional and technical universities.
- CCWD, formerly a separate agency, becomes a HECC office.

2017-2018

- **Oregon Volunteers moves to HECC from the Governor's Office.**
- STEM Investment Council administration moves from Chief Education Office to HECC.
- **State workforce board is renamed the Workforce and Talent Development Board (WTDB), with staffing assigned to HECC.**

2019-2021

- The administration of the Statewide Longitudinal Data System is moved to the HECC in 2019. The program is now called **Oregon Longitudinal Data Collaborative.**
- **HECC is functioning as a coordinating commission and agency with a comprehensive, integrated approach to all sectors of postsecondary education.**

2021-2023

- **Oregon Transfer Council is established under the HECC.**
- Oregon Volunteers is renamed OregonServes.
- Legislature adds to HECC programming with the **Oregon Conservation Corps, Future Ready Oregon package and the Oregon Tribal Student Grant.**
- STEM Council moves to Oregon Department of Education.
- Three **Industry Consortia** are established as part of Future Ready Oregon.

2023-2025

- Youth workforce programs leadership is now under one single new board, the **Oregon Youth Works Advisory Board.**
- Senate Bill 269 Advisory Committee is formed related to **Corrections Education.**
- Legislature adds to HECC programming with **Sexual Misconduct Reporting work and related council.**

As the State Coordinating Commission, We Work with Numerous Institutions with Local or Independent Governance to Serve Oregonians

HECC is a commission and agency with a focus on funding and policy coordination and leadership.

- **A coordinating board, not a governance board**, we work in collaboration with many partners across the postsecondary landscape. The agency’s work is guided by the HECC’s 15-member Commission.
- **Responsibility across all sectors** of higher education and workforce, public and private.
- The HECC agency also administers the **Workforce and Talent Development Board** and numerous other advisory boards.

Local Governance of Public Higher Education Institutions

- **17 Community Colleges** with Locally-Elected Governing Boards
- **7 Public Universities + OHSU** Institutional Governing Boards (Governor-Appointed, Senate-Confirmed)

Local Workforce Development Board

- **9 Local Workforce Development Boards**

Private Institutions

- **181 Private Career Schools** (Licensed by HECC)
- **17 Private Degree-granting Institutions Based in Oregon** (Authorized by HECC, ODA)
- **20 Other Private Degree-granting Institutions Based in Oregon** (Exempt from state authorization requirements)
- **Distance Education:**
 - **81** Out-of-State Degree-granting Institutions Serving Oregonians Through Distance Education
 - **32** Public and Private Degree-Granting Institutions Based in Oregon that Participate in NC-SARA

We Collaborate With Many Partners and Support Advisory Boards

The HECC convenes and collaborates with many partners across the postsecondary and workforce landscape.

We administer boards and convene public meetings for...

HECC Commission

Advisory Boards and Public Bodies:

- **Workforce and Talent Development Board (WTDB):** advisory board to the Governor on workforce matters. Appointed by the Governor under the Workforce Innovation and Opportunity Act.
- **Transfer Council:** Established to streamline transfer pathways between 2- and 4-year institutions.
- **Future Ready Oregon Industry Consortia (3)**
- **Oregon Youth Works Advisory Board**
- **OregonServes Commission**
- **Private Career School Advisory Committee**
- **Sexual Misconduct Survey Council**
- **Credit For Prior Learning Advisory Committee**
- **HECC and Department of Corrections - Senate Bill 269 Advisory Committee**

State Government Partners

including but not limited to:

- Oregon Governor, including the Racial Justice Council
- Oregon Legislature, including Legislative Commission on Indian Services
- State Agencies and Boards/Commissions
 - Bureau of Labor and Industry
 - Oregon Commission for the Blind
 - Oregon Department of Education, Oregon State Board of Education
 - Oregon Department of Early Learning and Care
 - Oregon Department of Human Services
 - Employment Department
 - Educator Advancement Council
 - Teachers' Standards and Practices Commission
 - Youth Development Council

Oregon Tribes

- Government-to-Government Tribal Education Cluster

Other Partners

including but not limited to:

- HECC Equity Advisory Committee
- HECC Leadership Council for Equity
- Oregon Council of Presidents and Oregon CC Presidents' Council
- Oregon Community College Association
- Oregon Alliance of Independent Colleges and Universities
- Oregon Community Table for Postsecondary Education
- National and regional organizations including SHEEO, WICHE, Complete College America, and others
- Foundations and Scholarship donors
- Interinstitutional Faculty Senate
- Labor partners including Oregon Education Association, American Federation of Teachers – Oregon; SEIU 503; and American Association of University Professors (AAUP)

Expenditure Categories (GRB)



83.1% of HECC's budget is distributed directly to community colleges, public universities, workforce partners, including local workforce development boards, and students through financial aid.

Oregon's 17 community colleges

Oregon's seven public universities

Oregon Health & Science University (OHSU)

Workforce support and other special payments, including Future Ready Oregon investments and support for

Oregon's nine local workforce development boards

Student assistance (state financial aid programs)



14.4% of HECC's budget funds bond payments on current and past capital construction projects at colleges and universities.

Capital construction bonding for the public institutions

Debt service for previous capital projects of the public institutions



2.5% includes HECC agency administration and operations, including all personnel, services and supplies, and agency capital-related expenses.

Higher Education's Gains Over the Last Decade

Completion Rates

For community colleges, from 44% to 51%.

For public universities, from 62% to 70%.

Educational Attainment

38% of young adult Oregonians now hold a Bachelor's degree, up from 30% in 2011.

Funding

State appropriations have increased by more (per student) than in all but six other US states.

The Shifting Context for US and Oregon Higher Education

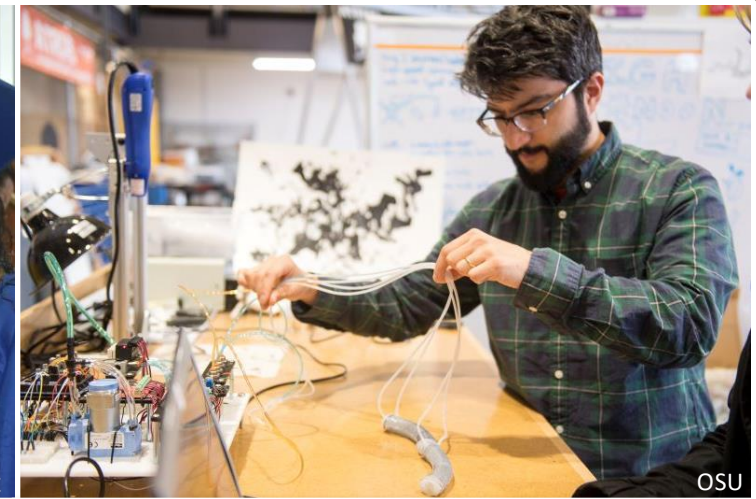


EOU



• Confidence • Value • Demographics • Federal • Technology

THE RETURN ON INVESTMENT FOR POSTSECONDARY EDUCATION AND TRAINING



Postsecondary Education Pays Off

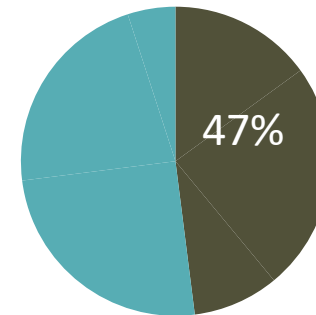
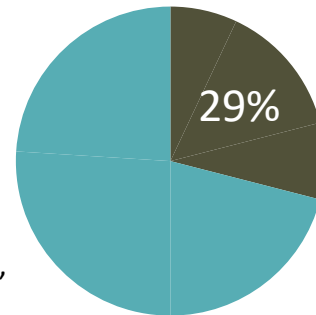
But the Earnings Pay-Off is Not Equitably Distributed

Median Annual Oregon Earnings



But Who Is Benefitting from These Credentials?
Fewer people of color experience the earnings payoff.

Just over a quarter of underrepresented racial/ethnic groups have postsecondary degrees
(Black, Hispanic, Native American, and Native Hawaiian combined)



Almost half of White Oregonians have postsecondary degrees

Note: Data are for persons aged 25 and over. Earnings are for full-time wage and salary workers in Oregon (2021) with HECC-calculated estimates for those with some college, no degree.

Source: U.S. Census Bureau (2021). Educational Attainment by Income and Poverty [Table B20004, Oregon]. <https://data.census.gov/table?q=oregon+educational+attainment&t=Income+and+Poverty&y=2021&tid=ACSDT1Y2021>.
U.S. Census Bureau (2021). Educational Attainment by Race and Ethnicity [Table B15002A-1, Oregon]. <https://data.census.gov/table?q=oregon+educational+attainment&t=Race+and+Ethnicity&y=2021&tid=ACSDT1Y2021.B15002B>

Postsecondary Credentials Are the Route to Jobs that Pay Enough to Make Ends Meet

What do Oregonians need to meet their expenses?

A small family in Oregon needs an income of \$130,950 to meet typical living expenses.

- MIT Living Wage Calculator



100% of jobs that pay this much need postsecondary education/training for applicants to be competitive.

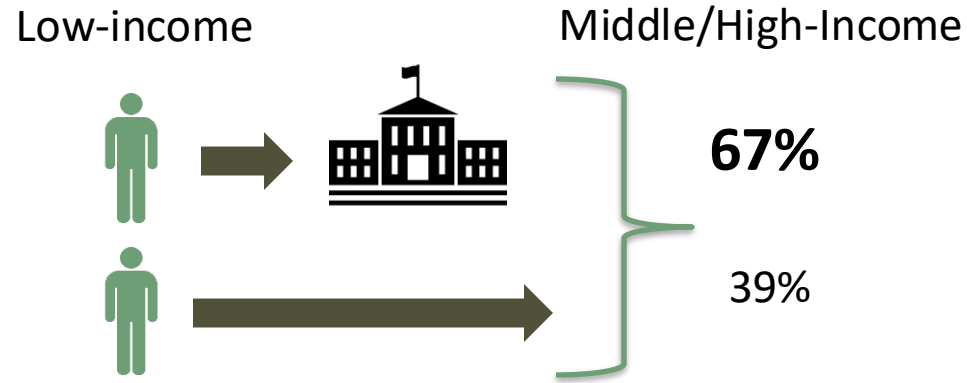
Average Earnings in Oregon: \$68,780
Two adults earning average Oregon salaries could meet expenses if they have the benefits of postsecondary credentials.



93% of jobs that pay average Oregon earnings need postsecondary education/training for applicants to be competitive.

Postsecondary Education Generates Upward Mobility

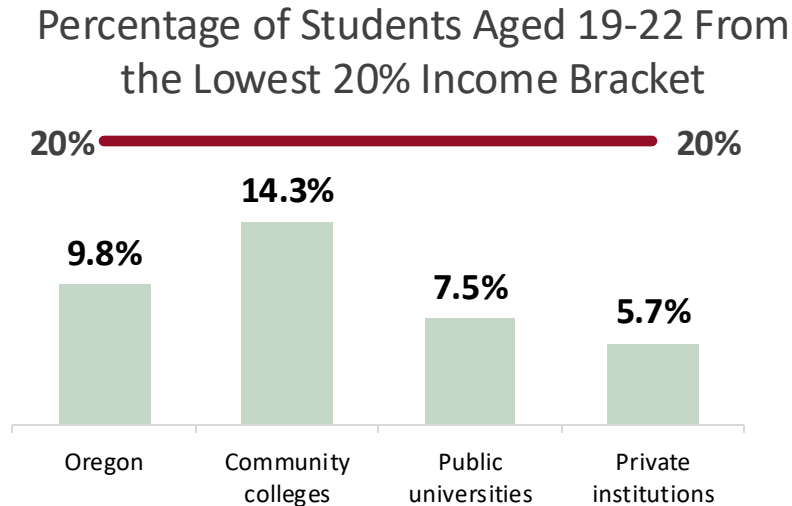
However, Too Few Students Have the Chance for This Upward Mobility



For Oregonians from low-income families, enrolling in college is a clear pathway to greater financial stability. 67% of Oregon teenagers from low-income families became middle/high-income adults if they attended college, vs. 39% of those who did not go to college. For the state, higher incomes mean a higher tax base.

But many low-income families do not have the same access to college/university, especially at more selective schools.

Few Oregonians from the lowest 20% of incomes enroll in a college or university



Although students from low-income families can achieve upward mobility through postsecondary education, only 9.8% of students are from the lowest incomes. Equal access would mean 20% of students were from the lowest incomes.

Some of the Many Individual Benefits for Students and Learners

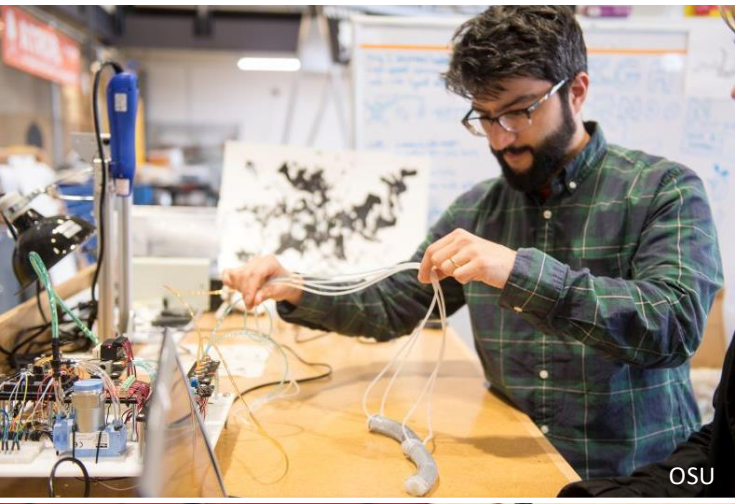
Higher Levels of Postsecondary Education and Training Correlate With:

Higher rates of:	Positive Health Outcomes	Civic Engagement	Volunteerism	Career Satisfaction	Overcoming Obstacles
Example survey item:	% who rate their health as "excellent" or "very good"	% who voted in the last federal election	% who volunteered in the last 12 months	% who feel their career aligns well with their natural interests and talents	% who believe difficult experiences are a chance to learn and grow
Graduate degree	65%	92%	47%	87%	84%
Bachelor's degree	61%	87%	38%	80%	79%
Associate degree	55%	79%	27%	71%	78%
Some postsecondary, no degree	47%	75%	27%	69%	76%
No postsecondary education	43%	59%	14%	58%	73%

Lower need for public assistance programs such as Medicaid, SNAP, and public housing assistance. Usage rates in the U.S. by education level (2022):

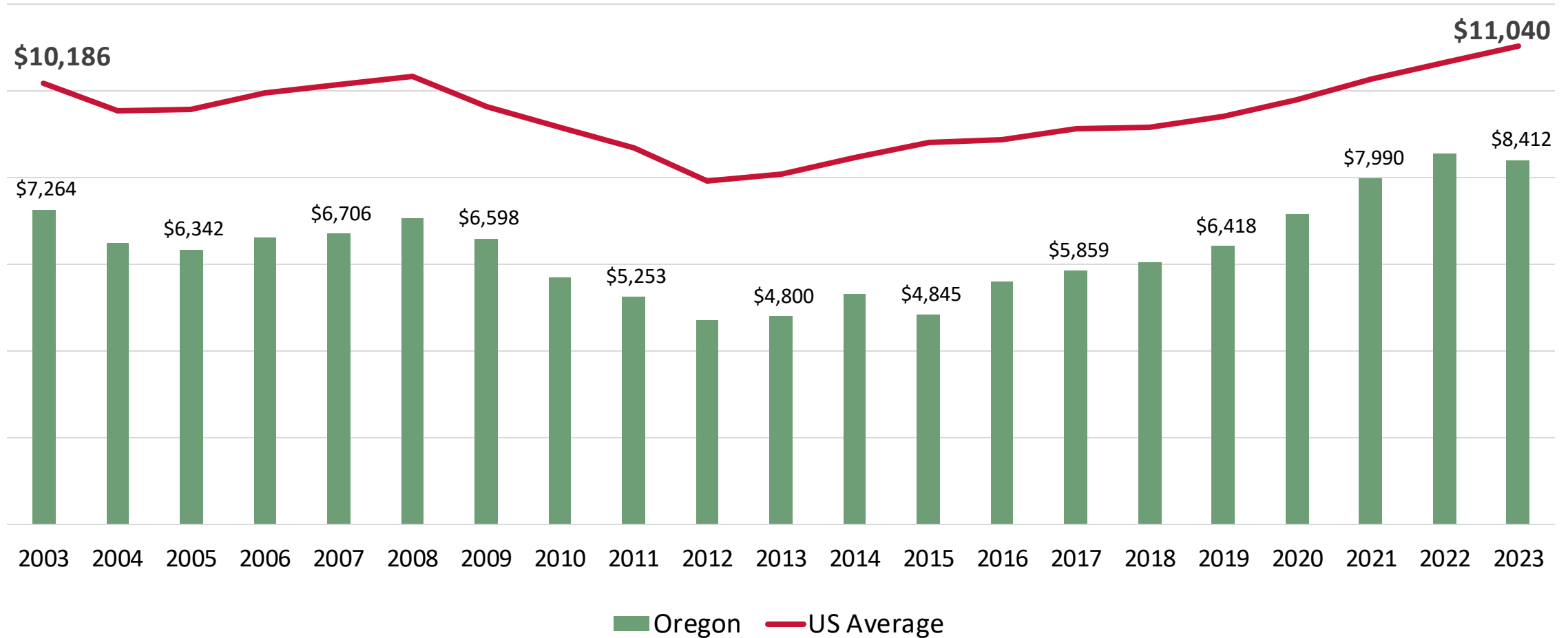
- **Medicaid: 39%** (no postsecondary) vs. **11%** (Bachelor's or higher)
- **SNAP: 20.5%** (no postsecondary) vs. **3%** (Bachelor's or higher)
- **Public housing assistance: 7.5%** (no postsecondary) vs. **1%** (Bachelor's or higher)

HIGHER EDUCATION FUNDING



Oregon's Public Investment in Higher Education Has Increased in Recent Years but Remains Well Below the National Average, Ranking 37th Among States

Higher Education Appropriations per FTE Student (Inflation Adjusted)



Oregon Ranks Low Nationally in Appropriations per Student, Despite Recent Gains

Oregon ranks 37th nationally in public funding per student (FTE).

Oregon lags the national average by 24% on this measure.

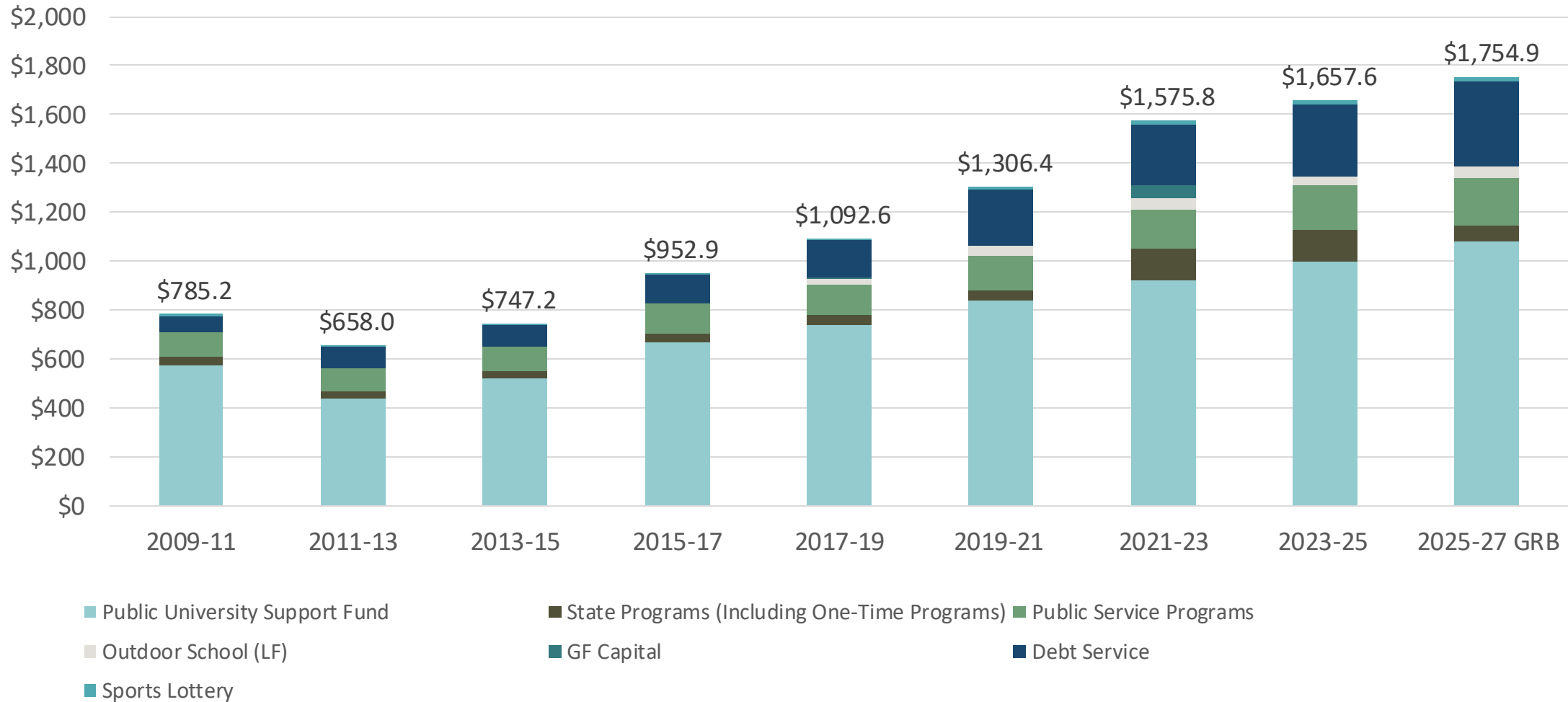
However, Oregon has gained ground over the last decade.

How does Oregon Rank? National Data for Fiscal Year 2023

	Increase in appropriations per FTE since 2013	Increase in appropriations per FTE since 2018	Educational appropriations per FTE nationally
Oregon Rank	7th	6th	37th

History of State Funding for Public Universities (\$ millions)

Unadjusted for inflation



Overview of the Public University Support Fund (PUSF)

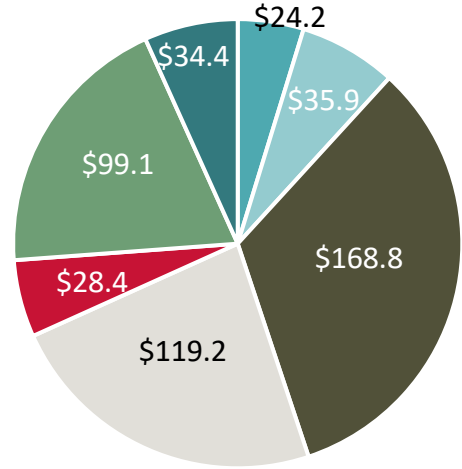
\$1 Billion
(2023-25)

Legislatively-adopted PUSF for HECC distribution to Oregon’s seven public universities.



\$510 Million
(FY2025)

\$490M – 49% of the total for FY2024
\$510M – 51% of the total for FY2025



The amount per university is determined by formula HECC establishes via rule (ORS 350.075).

-
 EOU
 -
 OIT
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 OSU
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 PSU
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 SOU
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 UO
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 WOU



Components of the Student Success and Completion Model (SSCM)

MISSION SUPPORT

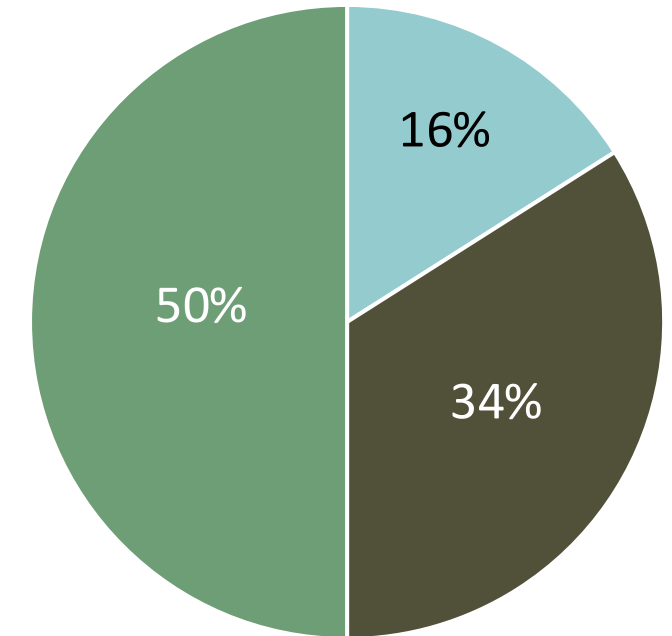
Taken off the top for base funding, regional access, public service, and research support to acknowledge mission-specific needs.

ACTIVITY BASED FUNDING

Funding allocated based on course completions with cost weighting of courses by discipline and level of instruction.

OUTCOMES BASED FUNDING

Funding allocated based on degree completions at all levels with additional weights for underserved students and completions in critical areas.



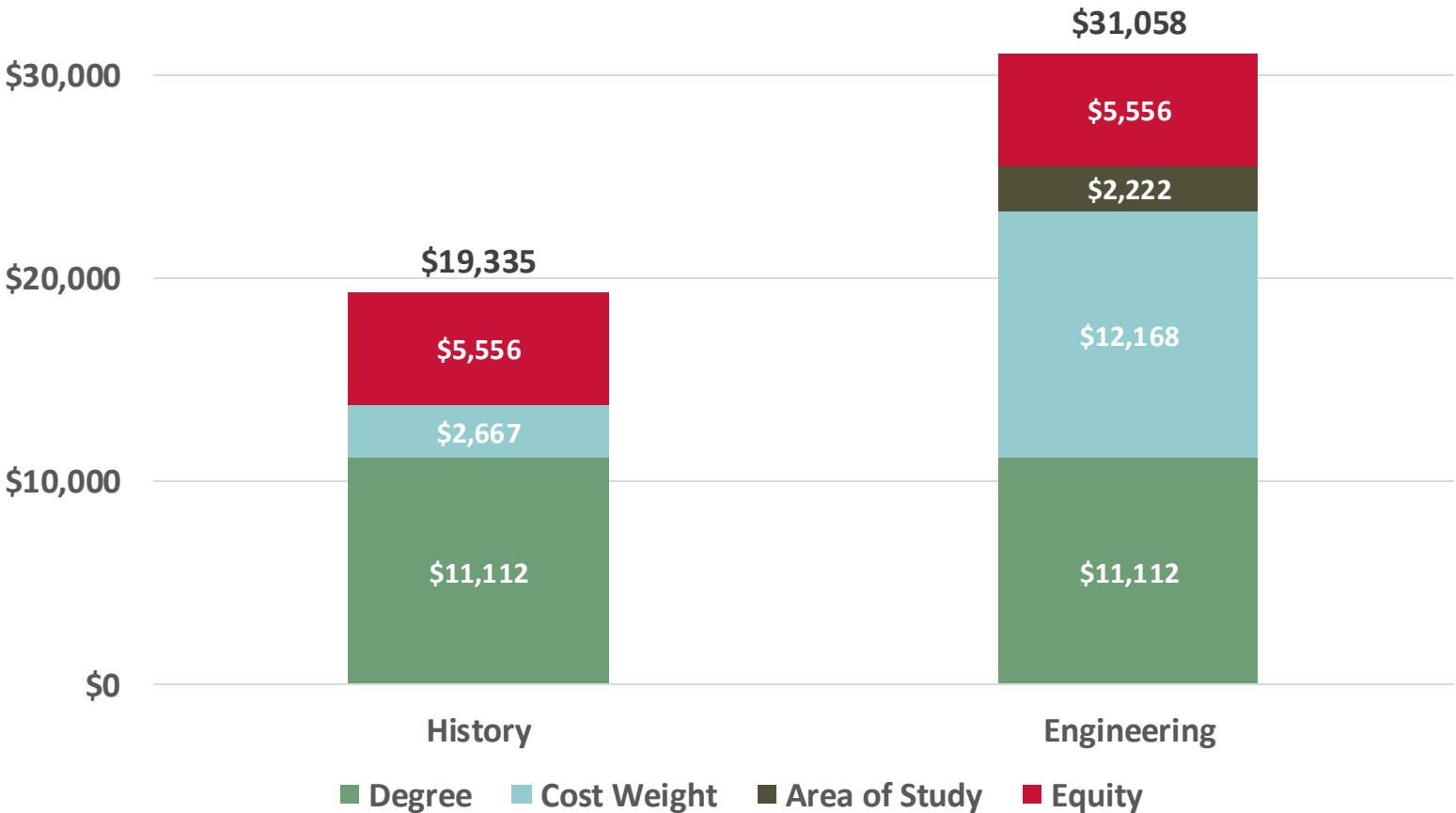
- Mission Support
- Activity Based
- Outcomes Based

Principles of the formula are:

- Promote resident student success
- Support public service and regional missions
- Provide funding stability

Funding Model Reimbursement Values for Two Example Degrees

Degree Component Values (Undergraduate, Non-Transfer)

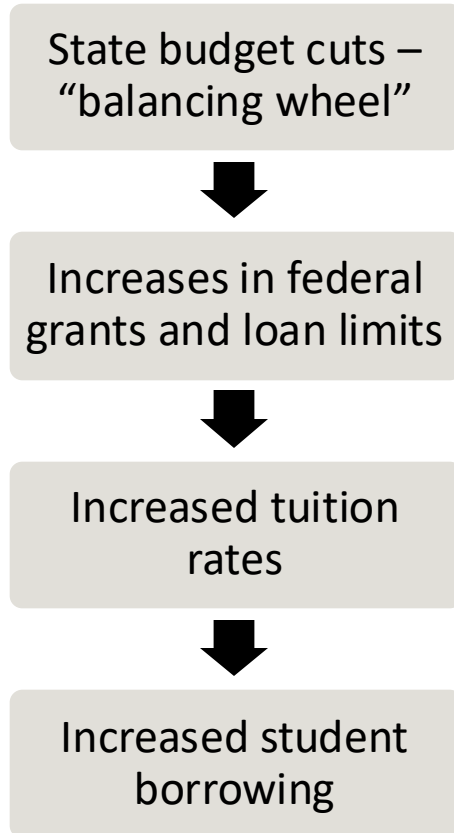


**A Focus on Equity
(FY2025)**

\$39.0 million for equity
5,634 average graduates
Avg. incentive of \$6,927

The Bigger Picture: State Investment Supports Student Success

Status Quo



For every extra \$1,000 per student a state spends...

- A student’s odds of earning a bachelor’s degree by age 25 increase by 1.5%
- The likelihood a student will take on debt decreases by 2%
- The total amount a student borrows (all debts) decreases by over \$5,000 by age 35

Increases in state appropriations yield a larger increase in graduation rates for diverse students.

A STRATEGIC PLAN FOR ADVANCING OREGON HIGHER EDUCATION



OIT



MHCC



Clatsop CC



PSU

Strategic Plan Public Engagement



Development of the New Five-Year Strategic Plan, Released in Fall 2024

- The HECC contracted with Coraggio Group to facilitate the year-long strategic development process.
- The agency is now translating this plan into action.

Read the full plan here: www.oregon.gov/highered/strategy-research/Pages/strategic-plan.aspx

The HECC strategic plan is used to guide development and implementation of higher education and workforce development funding and policy initiatives that impact Oregonians statewide. The new plan focuses on lowering costs and increasing benefits of higher education and training for individuals, employers, communities, and the economy.

Year-Long Development Process Included:

- Assessment of background data and needs;
- Broad public and partner engagement (including a public survey with over 400 responses, numerous focus groups, interviews, and outreach sessions);
- Discussion and input over the course of a year of HECC public meetings.

HECC's Mission for Oregon and Oregonians

HECC's Recently Adopted 2024-29 Strategic Plan Refines HECC's Mission



- Drive equitable postsecondary access and success for all Oregonians
- Anticipate and meet workforce and economic needs
- Strengthen Oregon's collective future by fostering research, innovation, learning, civic engagement, and cultural contributions

Working to Increase Value for Oregon and Oregonians

HECC's Recently Adopted 2024-29 Strategic Plan Establishes Five Goals

GOAL 1, RELEVANCE:

Improve the responsiveness of Oregon's education and training systems to the goals and needs of learners, employers, and communities.

GOAL 2, ALIGNMENT: Align Oregon's education and training systems to create straightforward pathways for learners.

GOAL 3, AFFORDABLE ACCESS: Make postsecondary education and training affordable for all Oregonians.

GOAL 4, BELONGING: Elevate learner voices and support inclusivity and belonging in all postsecondary learning settings.

GOAL 5, LEADERSHIP: Infuse postsecondary education, workforce development, research, and innovation into Oregon's economic development strategies.

Questions / comments?

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