

Higher Education Coordinating Commission (HECC)
2015-17 Governor’s Recommended Budget

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CERTIFICATION

I hereby certify that the accompanying summary and detailed statements are true and correct to the best of my knowledge and belief and that the accuracy of all numerical information has been verified.

Higher Education Coordinating Commission

775 Court Street, NE, Salem, OR 97301

AGENCY NAME

AGENCY ADDRESS



Chair, Oregon Higher Education Coordinating Commission

SIGNATURE: Tim Nesbitt

TITLE

Notice: Requests of those agencies headed by a board or commission must be approved by those bodies of official action and signed by the board or commission chairperson. The requests of other agencies must be approved and signed by the agency director or administrator.

Agency Request

Governor's Recommended

Legislatively Adopted

Budget Page 1



Summary of Emergency Board Action May 2014

The Legislative Emergency Board met on May 30, 2014 and considered an agenda of 52 items. The agenda included two requests for allocations from the general purpose appropriation made to the Emergency Board; one of which was approved. There were also six agency requests on the agenda for allocations from special purpose appropriations made to the Emergency Board, totaling \$13.7 million, \$10.6 million of which were allocated. Additional details on these allocations are described below. After the Emergency Board actions, the unallocated, unreserved balance of the general purpose Emergency Fund is \$26.1 million with a \$36.3 million balance in special purpose appropriations.

The agenda included 17 items that requested additional 2013-15 biennium authority to spend Lottery Funds, Other Funds, and Federal Funds (including two adjusting 2011-13 capital construction expenditure authority). The Emergency Board approved expenditure limitation increases of approximately \$44.4 million Other Funds (including \$38.1 million for the Department of Administrative Services to make payments to counties under the Strategic Investment Program) and \$7.7 million Federal Funds. The Emergency Board also authorized the establishment of three permanent positions (1.25 FTE), six limited duration positions (2.71 FTE), and an increase of 19.63 FTE to existing positions.

The agenda also included 14 agency reports which the Emergency Board acknowledged receiving (three of which were on consent – from the Departments of Human Services, Transportation, and Administrative Services). The Emergency Board heard 19 requests for the submission of federal grant applications (eleven of which were on consent – from the Oregon Health Authority, Criminal Justice Commission, and Departments of Justice, Parks and Recreation, Agriculture, and Transportation). Two of the grant application requests included approvals of associated expenditure limitation increases.

The following is a summary of significant Emergency Board actions taken at the May 2014 meeting:

Education

- Allocated \$700,000 to the Higher Education Coordinating Commission and \$2,299,999 to the Department of Administrative Services for the four Technical and Regional Universities from a special purpose appropriation made to the Emergency Board for costs associated with changes in the higher education system governance.
- Acknowledged receipt of a report by the Oregon Education Investment Board on the status of the P-20 Education State Longitudinal Data System project.
- Approved the submission of two five-year federal grant applications by the Department of

Education to the U.S. Department of Health and Human Services in the amount of \$9.75 million and to the U.S. Department of Education for up to \$3.75 million to address mental health issues in schools.

Human Services

- Allocated \$390,000 to the Oregon Health Authority from a special purpose appropriation made to the Emergency Board for senior services to cover senior mental health services and planning costs; the agency was also directed to return to the Emergency Board with a more detailed program plan.

- Allocated \$500,000 to the Department of Human Services from a special purpose appropriation made to the Emergency Board for senior services to cover adult abuse data system planning costs and directed the agency to report back to the Emergency Board on planning progress.
- Allocated \$3,000,000 to the Department of Human Services from a special purpose appropriation made to the Emergency Board for senior services to cover costs of a pilot project expanding Oregon Project Independence services to people with disabilities.
- Allocated \$2,016,628 to the Department of Human Services from a special purpose appropriation made to the Emergency Board for senior services to restore federal funding lost due to sequestration.
- Acknowledged receipt of a report from the Department of Human Services and the Department of Education on policy recommendations on how best to modify the Employment Related Day Care program to provide child care subsidies to working parents enrolled in post-secondary higher education.
- Approved, retroactively, the submission of a federal grant application by the Department of Human Services to the U.S. Department of Agriculture in the amount of up to \$750,308 to expand employment services to certain Supplemental Nutrition Assistance Program participants.
- Acknowledged receipt of a report by the Department of Human Services on caregiver training and the Quality Care Fund.
- Acknowledged receipt of a report by the Oregon Health Authority on mental health housing investments.

Public Safety and Judicial Branch

- Deferred a request for an allocation from the general purpose Emergency Fund by the Criminal Justice Commission of \$142,000 to fund a vacant position until later in the biennium, and approved increases in the Other Funds expenditure limitation of \$212,000 and the Federal Funds expenditure limitation of \$1,107,000 for Specialty Court grants.
- Acknowledged receipt of a report by the Judicial Department on compensation plan changes for the agency resulting from a classification study that reviewed 29 existing job classifications covering 151 positions.

- Acknowledged receipt of a report by the Military Department on Next Generation 9-1-1 and directed the agency to report back to the Emergency Board on the status of the project.

Natural Resources

- Increased the Other Funds expenditure limitation of the Department of State Lands by \$223,145 for fire suppression and recovery costs incurred in 2013.
- Increased the Other Funds expenditure limitation of the Department of State Lands by \$750,000 for remodeling the State Lands Building for consolidation of agency staff.
- Increased the Other Funds expenditure limitation of the Department of State Lands by \$235,000 for capital improvements to enhance Common School Fund lands revenue for two Harney County projects related to conversion of grazing land to agricultural land, with the understanding that \$195,000 of the limitation increase will be unscheduled until a water right is obtained.
- Approved the submission of a federal grant application by the Parks and Recreation Department to the U.S. Fish and Wildlife Service in the amount of \$970,000 to acquire 357 acres of coastal property in the Sand Lake area of Tillamook County.
- Approved, retroactively, the submission of three federal grant applications by the Oregon Watershed Enhancement Board to the U.S. Fish and Wildlife Service in the combined amount of \$3,000,000 for acquisition and restoration of coastal wetlands (China Camp Creek, Scholfield Creek, and Kilchis River).
- Approved, retroactively, the submission of a federal grant application by the Department of Fish and Wildlife to the U.S. Fish and Wildlife Service in the amount of \$1,000,000 for acquisition of 10,000 acres near the Lower Deschutes Wildlife Area to provide enhanced public access to hunting, fishing, and wildlife viewing.

Economic and Community Development

- Allocated \$98,700 from the general purpose Emergency Fund to the Department of Veterans' Affairs and authorized the establishment of one limited duration position to facilitate timely training and accreditation of County Veteran Service Officers.

- Approved, retroactively, the submission of a federal grant application by the Department of Housing and Community Services to the U.S. Department of Housing and Urban Development in the amount of \$2,335,000 for project-based rental assistance to make 80 units of affordable housing available to extremely low-income Oregonians with mental illness.
- Approved, retroactively, the submission of a federal grant application by the Oregon Business Development Department to the U.S. Small Business Administration in the amount of \$300,000 for funds available under the State Trade and Export Promotion program and increased the Federal Funds expenditure limitation by \$210,000, with the understanding the limitation increase will be unscheduled until the grant is received.

Transportation

- Established a \$278,841 Other Funds Capital Construction expenditure limitation and a \$1,590,307 Federal Funds Capital Construction expenditure limitation for the Department of Transportation to renovate the Salem baggage depot located adjacent to the Amtrak passenger rail station; the new limitations will expire at the end of the 2013-15 biennium.
- Increased the 2011-13 Other Funds Capital Construction expenditure limitation for the Department of Transportation by \$332,391 to complete the Bend Driver and Motor Vehicle Division field office project.
- Approved the submission of a federal grant application by the Department of Aviation to the Federal Aviation Administration in the amount of \$2,385,000, increased the Other Funds Capital Construction expenditure limitation by \$265,000, and increased the Federal Funds Capital Construction expenditure limitation by \$2,385,000 for improvements at the Cottage Grove State Airport.
- Increased the 2011-13 Other Funds Capital Construction expenditure limitation for the Department of Aviation by \$204,454 to cover unbudgeted administrative, legal, engineering, and well drilling expenses at the Aurora State Airport.

Consumer and Business Services

- Increased the Other Funds expenditure limitation for the Department of Consumer and Business

Services by \$402,411, authorized the reclassification of two existing permanent positions, and authorized the establishment of five limited duration positions (2.21 FTE) to support increases in workload driven by changes in the health insurance market and in construction inspection and permitting services.

- Acknowledged receipt of a report by the Construction Contractors Board on agency operations and directed the agency to report back to the Emergency Board in September.

Administration

- Acknowledged receipt of a report by the Secretary of State on costs associated with a data breach of the agency's web applications.
- Increased the Other Funds expenditure limitation of the Treasurer of State by \$580,732 and authorized the establishment of two permanent full-time positions (0.83 FTE) for the creation of an Information Security Management program within the agency.
- Increased the Other Funds expenditure limitation of the Treasurer of State by \$111,967 and authorized the establishment of one permanent full-time position (0.42 FTE) to support the Oregon 529 College Savings Network program.
- Increased the Other Funds expenditure limitation for the Department of Administrative Services by \$38,110,951 for distributions to counties of funds from the Shared Services Fund related to the Strategic Investment Program; \$37.8 million of the amount is to be provided to Washington County.
- Increased the Other Funds expenditure limitation for the Government Ethics Commission by \$133,560 for costs associated with development of an electronic reporting system for statements of economic interest.
- Acknowledged receipt of a report by the Governor's Office on positions loaned from other agencies, funded with resources from other agencies, or currently vacant.
- Allocated \$1,684,947 from a special purpose appropriation made to the Emergency Board for the Oregon State Library, increased the Other Funds expenditure limitation by \$264,471 for endowment and donation funds and by \$2,857,191 for state agency assessments, increased the Federal Funds expenditure limitation by \$2,409,329, and authorized an

increase of 19.63 FTE for existing positions for second fiscal year operational costs of the agency.

- Acknowledged receipt of a report from the Department of Revenue on the Core System Replacement project and directed the agency to report back to the Emergency Board in September

on its readiness to proceed with implementation of Phase I of the project.

- Acknowledged receipt of a report by the Department of Administrative Services on uniform rent rates and approved the rates for the 2015-17 biennium.

Emergency Fund Balance Summary		
	Agency Requests	Full Board Action
General Purpose Emergency Fund		
Appropriation (after 2014 Session adjustments)	30,000,000	30,000,000
Allocations to date	0	0
Unallocated Balance	30,000,000	30,000,000
Reservations (within General Purpose)		
Reservations (within General Purpose)	3,850,000	3,850,000
Reservations allocated to date	0	0
Unallocated Reservations	3,850,000	3,850,000
General Purpose Unallocated/Unreserved Balance	26,150,000	26,150,000
# May 2014 Requests - General Purpose		
25 Criminal Justice Commission - Restore funding for Economist position	(142,000)	0
28 Department of Veterans' Affairs - Funding for position to assist training CVSOs	(98,700)	(98,700)
Total Requests - General Purpose	(240,700)	(98,700)
General Purpose Unallocated/Unreserved Balance after 5/2014	25,909,300	26,051,300
Special Purpose Appropriations - Agency Specific (after 2014 Session actions)		
Allocations/Transfers to Date	0	0
Unallocated Balance	46,906,819	46,906,819
# May 2014 Requests - Special Purpose Appropriations - Agency Specific		
8 Higher Education Coordinating Commission - Costs related to changes in governance of universities	(2,990,999)	(2,990,999)
10 Oregon Health Authority - Senior mental health specialists	(3,500,000)	(390,000)
20 Department of Human Services - Adult abuse prevention technology project	(500,000)	(500,000)
21 Department of Human Services - Oregon Project Independence pilot for people with disabilities	(3,000,000)	(3,000,000)
22 Department of Human Services - Older Americans Act backfill due to sequestration cuts	(2,016,628)	(2,016,628)
46 Oregon State Library - Second year operational costs	(1,702,192)	(1,684,947)
Total Requests - Special Purpose - Agency Specific	(13,710,819)	(10,591,574)
Special Purpose - Agency Specific - Unallocated Balance after 5/2014	33,188,000	36,315,245

Emergency Board materials for the May 2014 meeting are available at
<https://olis.leg.state.or.us/liz/201311/Committees/EB/2014-05-30-08-30/Agenda>

This summary is available on the Legislative Fiscal Office website at www.oregonlegislature.gov/lfo

Enrolled
House Bill 4018

Introduced and printed pursuant to House Rule 12.00. Pre-session filed (at the request of House Interim Committee on Higher Education and Workforce Development)

CHAPTER

AN ACT

Relating to higher education; creating new provisions; amending ORS 351.735, 351.755 and 351.758 and section 168a, chapter 768, Oregon Laws 2013; appropriating money; and declaring an emergency.

Be It Enacted by the People of the State of Oregon:

SECTION 1. Section 168a, chapter 768, Oregon Laws 2013, is amended to read:

Sec. 168a. (1) If the president of Oregon State University notifies the Governor between August 2, 2013, and January 1, 2014, that the university will become a university with a governing board:

(a) Within two weeks after receiving the notification, the Governor shall inform the President of the Senate, the Speaker of the House of Representatives and the Legislative Counsel of the notification; and

(b) Not later than February 1, 2014, the Governor shall appoint all of the members of the governing board in the manner set forth in [section 6 of this 2013 Act] **ORS 352.076**.

(2)(a) If the president of Eastern Oregon University, Oregon Institute of Technology, Southern Oregon University or Western Oregon University determines that the university should become a university with a governing board, the president shall notify the Governor and the State Board of Higher Education of the university's intent. Notification under this subsection must occur during the period beginning March 1, 2014, and ending [June 1, 2015] **May 15, 2014**.

(b) Within 45 days of receiving notification under this subsection from a university president, the State Board of Higher Education shall [decide whether or not to] **take one of the following actions:**

(A) Endorse the university's decision. If the **State Board of Higher Education** endorses the [request] **university's decision**, the board shall immediately communicate any endorsement to the Governor.

(B) **Not endorse the university's decision.**

(C) **Endorse the university's decision subject to conditions recommended by the State Board of Higher Education and endorsed by the Governor.**

(3) **If the university's decision is endorsed by the State Board of Higher Education and the Governor under subsection (2)(b)(C) of this section, the following apply:**

(a) **The State Board of Higher Education and the president of the university seeking a governing board must mutually agree on the conditions that will be recommended by the board to the Governor. In order for a university to be endorsed under subsection (2)(b)(C) of this section, the Governor must receive and choose to endorse the recommended conditions not later than the date set forth in subsection (2)(b) of this section.**

(b) The conditions recommended for a university seeking a governing board may include, but are not limited to, financial thresholds that must be met by the governing board or other coordination conditions to ensure the university's financial stability and the stability of the university's programs.

(c) The university becomes a university with a governing board in the same manner and under the same time frame, and functions in the same manner, as a university endorsed by the State Board of Higher Education under subsection (2)(b)(A) of this section, subject to the conditions recommended by the board and endorsed by the Governor.

(4)(a) A university whose decision is endorsed with conditions under subsection (2)(b)(C) of this section must fulfill the conditions not later than the date, if any, specified by the State Board of Higher Education and university president and endorsed by the Governor. If the Higher Education Coordinating Commission determines, as a result of a financial review and performance audit of the university and its governing board, that the university has not met the necessary conditions by the specified date, the commission shall notify the Governor.

(b) Within 90 days of receiving a notification under paragraph (a) of this subsection, the Governor may suspend the governing board and direct the university's administration to report to the governing board of a different university, direct the university to adopt a different governance structure or decide that the university should retain its governing board. Absent legislative action, the Governor's action is final and, unless the Governor decides to retain the governing board of the university, the governing board is disbanded at the conclusion of the next regular session of the Legislative Assembly.

[(c)] (5) Upon receiving notification that the State Board of Higher Education has endorsed a university's decision to become a university with a governing board under subsection (2)(b)(A) of this section, or upon endorsing a university's decision to become a university with a governing board under subsection (2)(b)(C) of this section, the Governor shall:

[(A)] (a) Inform the President of the Senate, the Speaker of the House of Representatives and the Legislative Counsel that the university will become a university with a governing board; and

[(B)] (b) Not later than six months after receiving the notification, appoint all of the members of the governing board in the manner set forth in [section 6 of this 2013 Act] ORS 352.076.

[(3)] (6) Notwithstanding section 169, chapter 768, Oregon Laws 2013 [of this 2013 Act], if Eastern Oregon University, Oregon Institute of Technology, Southern Oregon University or Western Oregon University becomes a university with a governing board under subsection (2) of this section, the president of that university shall take over administrative responsibilities for the university from the State Board of Higher Education on [either] July 1, 2015[, or when the Governor appoints the members of the governing board, whichever date comes later].

SECTION 2. ORS 351.735 is amended to read:

351.735. (1) As used in this section, "student access programs" means scholarship, loan, grant and access programs described in ORS chapter 348.

(2) The Higher Education Coordinating Commission shall be guided by the legislative findings in ORS 341.009, 351.001 and 351.003 and the goals and mission of post-secondary education set forth in ORS 351.006 and 351.009.

(3) The Higher Education Coordinating Commission shall:

(a) Develop state goals and associated achievement compacts for the state post-secondary education system, including community colleges and public universities listed in ORS 352.002, and for student access programs.

(b) Determine strategic investments in the state's community colleges, public universities and student access programs necessary to achieve state post-secondary education goals.

(c) Coordinate the post-secondary elements of data collection and structure, with the advice and recommendation of the state's community colleges and public universities, as appropriate, in order to construct a state longitudinal data system.

(d) Adopt a strategic plan for achieving state post-secondary education goals, taking into consideration the contributions of this state's independent institutions, philanthropic organizations and other organizations dedicated to helping Oregonians reach state goals. State post-secondary education goals as described in this section should include, but need not be limited to:

(A) Increasing the educational attainment of the population;

(B) Increasing this state's global economic competitiveness and the quality of life of its residents;

(C) Ensuring affordable access for qualified Oregon students at each college or public university;

(D) Removing barriers to on-time completion; and

(E) Tracking progress toward meeting the state's post-secondary education goals established in the strategic plan described in this paragraph.

(e)(A) Each biennium, after receiving funding requests from the state's community colleges and public universities as authorized by law, recommend to the Governor a consolidated higher education budget request aligned with the strategic plan described in subsection (3)(d) of this section, including appropriations for:

(i) Student access programs;

(ii) Public universities listed in ORS 352.002, including but not limited to education and general operations, statewide public services and state-funded debt service;

(iii) Community colleges, including but not limited to education and general operations and state-funded debt service;

(iv) New facilities or programs;

(v) Capital improvements and deferred maintenance; and

(vi) Special initiatives and investments.

(B) In the development of the consolidated higher education budget request:

(i) Determine the costs necessary to provide quality post-secondary education;

(ii) Solicit input from educators, education policy experts, appropriate legislative committees, students and other persons interested in the development of the funding model; and

(iii) Solicit public input regarding educational priorities.

(f) Adopt rules governing the distribution of appropriations from the Legislative Assembly to community colleges, public universities listed in ORS 352.002 and student access programs. These rules must be based on allocation formulas developed in consultation with the state's community colleges and public universities, as appropriate.

(g) Approve or disapprove any significant change to the academic program of a community college or a public university listed in ORS 352.002. In reaching a decision under this paragraph, the commission shall consider the recommendation from the community college or public university seeking to make the change to an academic program that is issued pursuant to the obligation of the governing board of a community college or public university to review and approve academic programs. The commission shall ensure that approved programs:

(A) Are consistent with the mission statement of the community college or public university;

(B) Do not unnecessarily duplicate academic programs offered by Oregon's other community colleges or public universities;

(C) Are not located in a geographic area that will cause undue hardship to Oregon's other community colleges or public universities; and

(D) Are allocated among Oregon's community colleges and public universities to maximize the achievement of statewide needs and requirements.

(h) For public universities listed in ORS 352.002:

(A) Approve the mission statement adopted by a governing board of a public university or by the State Board of Higher Education.

(B) Review and determine whether a proposed annual increase of resident undergraduate enrollment fees, as described in ORS 351.063, of greater than five percent is appropriate.

(C) Advise the Governor and the Legislative Assembly on issues of university governance.

(D) Approve and authorize degrees.

(i) Authorize degrees to be offered by independent post-secondary institutions in this state under ORS 348.594 to 348.615.

(j) Oversee the licensing of career schools under ORS 345.010 to 345.450.

(k) Have the authority to enter into and administer interstate agreements regarding the provision of post-secondary distance education. The participation by an educational institution that is not based in this state in distance learning courses or programs that are part of an interstate agreement entered into and administered under this paragraph does not constitute operating in this state for purposes of ORS 348.594 to 348.615. The commission, by rule, may impose a fee on any educational institution that seeks to operate under or participate in such interstate agreements. The fee amount shall be established to recover designated expenses incurred by the commission in participating in such agreements.

(4) In addition to the duties described in subsections (2) and (3) of this section, the Higher Education Coordinating Commission shall advise the Legislative Assembly, the Governor, community colleges, public universities and other state boards and commissions on policies in order to:

(a) Ensure or improve access to higher education by diverse and underserved populations.

(b) Encourage student success and completion initiatives.

(c) Improve the coordination of the provision of educational services, including:

(A) Transfers and coenrollment throughout the higher education system;

(B) Accelerated college credit programs for high school students;

(C) Applied baccalaureate and other transfer degrees;

(D) Programs and grants that span multiple institutions; and

(E) Reciprocity agreements with other states.

(d) In coordination with the State Board of Education, enhance the use and quality of dual credit, career and technical pathways and efforts to create a culture of college attendance in this state.

(e) In coordination with the State Workforce Investment Board, local workforce investment boards, the Oregon Health and Science University and independent institutions, ensure that the state's colleges and universities offer programs in high-demand occupations that meet Oregon's workforce needs.

(f) Improve economies of scale by encouraging and facilitating the use of the shared services among post-secondary institutions in this state.

(5) The Higher Education Coordinating Commission, in a manner consistent with ORS chapter 183, may adopt administrative rules.

(6) With the exception of the rulemaking authority granted in subsection (5) of this section, the Higher Education Coordinating Commission may delegate any of its powers, duties or functions to a committee of the commission or to the executive director of the commission.

(7) The Higher Education Coordinating Commission may establish technical or advisory committees to assist the commission in exercising its powers, duties and functions.

(8) The Higher Education Coordinating Commission may exercise only powers, duties and functions expressly granted by the Legislative Assembly. Except as otherwise expressly provided by law, all other authorities reside at the institutional level with the respective boards of the post-secondary institutions.

SECTION 3. ORS 351.755 is amended to read:

351.755. (1) The Department of Community Colleges and Workforce Development is established within the Higher Education Coordinating Commission. The department shall function under the direction and control of the [*Higher Education Coordinating*] commission, with the Commissioner for Community College Services serving as an administrative officer for community college matters.

(2) The Department of Community Colleges and Workforce Development, in consultation with the Education and Workforce Policy Advisor and pursuant to ORS chapter 183, may adopt any rules necessary for the administration of laws related to the federal Workforce Investment Act that the department is charged with administering.

SECTION 4. ORS 351.758 is amended to read:

351.758. (1) The Department of Community Colleges and Workforce Development Account is established separate and distinct from the General Fund. Except for moneys otherwise designated by statute, all fees, assessments and other moneys received by the Department of Community Colleges and Workforce Development shall be deposited into the State Treasury and credited to the account. All moneys in the account are continuously appropriated to the [department] **Higher Education Coordinating Commission** for purposes authorized by law.

(2) The department may accept gifts, grants and donations from any source to carry out the duties imposed upon the department. Moneys received under this subsection shall be paid into the account.

(3) The department shall keep a record of all moneys deposited into the account. The record shall indicate by separate cumulative subaccounts the sources from which the moneys are derived and the individual activity or program against which each withdrawal is charged.

(4) Disbursements from the account shall be made as directed by the [department] **Higher Education Coordinating Commission**.

SECTION 5. (1) The Task Force on Integrating the Department of Community Colleges and Workforce Development into the Higher Education Coordinating Commission is established, consisting of seven members as follows:

(a) **The President of the Senate shall appoint one member from among members of the Senate.**

(b) **The Speaker of the House of Representatives shall appoint one member from among members of the House of Representatives.**

(c) **The executive director of the Higher Education Coordinating Commission.**

(d) **The executive director of the Higher Education Coordinating Commission shall appoint:**

(A) **One member from among members of the Higher Education Coordinating Commission; and**

(B) **Three members who represent community colleges.**

(2) **The task force shall analyze how the Department of Community Colleges and Workforce Development can best be integrated into the Higher Education Coordinating Commission.**

(3) **A majority of the members of the task force constitutes a quorum for the transaction of business.**

(4) **Official action by the task force requires the approval of a majority of the members of the task force.**

(5) **The task force shall elect one of its members to serve as chairperson.**

(6) **If there is a vacancy for any cause, the appointing authority shall make an appointment to become immediately effective.**

(7) **The task force shall meet at times and places specified by the call of the chairperson or of a majority of the members of the task force.**

(8) **The task force may adopt rules necessary for the operation of the task force.**

(9) **The task force shall submit a report in the manner provided by ORS 192.245, and may include recommendations for legislation, to the interim committees of the Legislative Assembly related to higher education no later than September 1, 2014.**

(10) **The Higher Education Coordinating Commission shall provide staff support to the task force.**

(11) **Members of the task force who are not members of the Legislative Assembly are not entitled to compensation, but may be reimbursed for actual and necessary travel and other expenses incurred by them in the performance of their official duties in the manner and amounts provided for in ORS 292.495. Claims for expenses incurred in performing functions of the task force shall be paid out of funds appropriated to the Higher Education Coordinating Commission for purposes of the task force.**

(12) All agencies of state government, as defined in ORS 174.111, are directed to assist the task force in the performance of its duties and, to the extent permitted by laws relating to confidentiality, to furnish such information and advice as the members of the task force consider necessary to perform their duties.

SECTION 6. Section 5 of this 2014 Act is repealed on the date of the convening of the 2015 regular session of the Legislative Assembly as specified in ORS 171.010.

SECTION 7. (1) The Public University Fund is established in the State Treasury, separate and distinct from the General Fund. Any interest or other investment income derived from moneys in the Public University Fund is credited to the fund.

(2) Except for moneys otherwise designated by statute or federal law, the governing board of any public university listed in ORS 352.002 may place any or all moneys received by it into the Public University Fund. Once deposited in the fund, the moneys of a public university shall be commingled with other moneys in the fund and are fungible, except to the extent they may be separately accounted for by the public university designated under subsection (3)(a) of this section.

(3)(a) Public universities listed in ORS 352.002 that choose to participate in the Public University Fund shall, by agreement or other structure authorized by law, designate the participating public university responsible for the Public University Fund and identify any and all obligations necessary for a participating public university listed in ORS 352.002 to serve as the designated responsible party under this subsection.

(b) The participating public universities shall inform the State Treasurer of the designated public university responsible for the Public University Fund. The participating public universities may change which participating public university is responsible for the Public University Fund.

(c) The State Treasurer may conclusively rely on a written instruction from the public universities as to the designated public university responsible for the fund.

(d) The designated public university shall inform the State Treasurer of the personnel authorized to provide instructions to the State Treasurer with respect to moneys in the fund. The State Treasurer may rely on instructions from the authorized personnel of the designated public university related to the deposit, withdrawal, investment, transfer, borrowing or lending of moneys in the fund. The State Treasurer is not responsible for or liable to the public universities for any error or omission in the instructions the State Treasurer receives from the designated public university.

(4) All moneys in the Public University Fund are continuously appropriated to the public university responsible for the Public University Fund, to be used only in a manner consistent with the agreement or other structure authorized by law as described in subsection (3) of this section.

(5) The moneys in the Public University Fund may be invested as provided in ORS 293.701 to 293.857.

(6) Public universities that participate in the Public University Fund may, by agreement or other structure authorized by law, direct the public university designated under subsection (3)(a) of this section to establish accounts and subaccounts within the fund when the participating public universities determine that accounts or subaccounts are necessary or desirable. Except when otherwise specified by a statute establishing an account, the participating public universities or, as appropriate, the designated public university, may credit any interest or income derived from moneys in the fund to any account or subaccount within the fund.

(7) Public universities that participate in the Public University Fund or, as appropriate, the public university designated under subsection (3)(a) of this section, shall keep a record of all moneys deposited into the fund. The record shall indicate by separate cumulative accounts and subaccounts the sources from which the moneys are derived and the individual activity or program against which each withdrawal is charged.

(8) Notwithstanding any other provision of law, public universities that participate in the Public University Fund or, as appropriate, the public university designated under subsection (3)(a) of this section, may transfer or lend the moneys in the fund to other participating public universities listed in ORS 352.002. The Public University Fund may be a borrowing fund for purposes of ORS 293.205 to 293.225 and may borrow from the Oregon Short Term Fund established in ORS 293.728 or other state funds. Subject to the limitations of Article XI, section 7 of the Oregon Constitution, the Public University Fund may be a lending fund for purposes of ORS 293.205 to 293.225 and may lend moneys to other state funds. The public university designated under subsection (3)(a) of this section shall be the relevant state agency or department for whom the State Treasurer may transfer funds or with whom the State Treasurer may enter into an agreement pursuant to ORS 293.205 to 293.225.

(9) Notwithstanding any other provision of law, ORS 293.169, 293.171, 293.353, 293.406, 293.450, 293.455, 293.460 and 293.465 to 293.485 apply to moneys in the Public University Fund and to checks, warrants or electronic funds transfers from or to the fund. For purposes of ORS 293.169, 293.171, 293.353, 293.406, 293.450, 293.455, 293.460 and 293.465 to 293.485:

(a) The public university designated under subsection (3)(a) of this section is the relevant state agency or department; and

(b) The personnel of the designated public university authorized to provide instructions to the State Treasurer are the relevant state officers.

(10)(a) The State Treasurer may establish separate or commingled funds, or establish separate or commingled accounts within funds established under this subsection. The State Treasurer may establish separate or commingled accounts within in other funds in the State Treasury, including the Oregon University System Fund established in ORS 351.506 and the Higher Education Donation Fund established in ORS 351.130, to receive, hold, keep, manage or invest moneys of a university with a governing board pursuant to any agreements entered into by the State Treasurer and the university under ORS 352.135. The moneys in a fund or account established under this subsection may be invested as provided in ORS 293.701 to 293.857 and any interest or other investment income derived from the fund or account shall be credited to the fund or account. Notwithstanding the appropriations in ORS 351.130 and 351.506, all moneys held in a fund or account established under this subsection are continuously appropriated to the relevant university with a governing board that has entered into an agreement with the State Treasurer under ORS 352.135 for the purpose of carrying out the powers and duties of the university with a governing board or the purposes for which the moneys were donated.

(b) Except for moneys held to provide for the payment of state bonds and other state obligations described in ORS 352.089 (5), a university with a governing board may transfer or lend the moneys held in the State Treasury pursuant to any agreements entered into under ORS 352.135 to other public universities listed in ORS 352.002. A fund or account in the State Treasury that holds moneys of a university with a governing board pursuant to an agreement entered into under ORS 352.135 may be a borrowing fund for purposes of ORS 293.205 to 293.225 and may borrow from the Oregon Short Term Fund established in ORS 293.728 or other state funds. Subject to the limitations of Article XI, section 7 of the Oregon Constitution, a fund or account in the State Treasury that holds moneys of a university with a governing board pursuant to an agreement entered into under ORS 352.135 may be a lending fund for purposes of ORS 293.205 to 293.225 and may lend moneys to other state funds. The university with a governing board that has entered into an agreement with the State Treasurer under ORS 352.135 is the relevant state agency or department for whom the State Treasurer may transfer funds or with whom the State Treasurer may enter into an agreement pursuant to ORS 293.205 to 293.225.

(c) Notwithstanding any other provision of law, ORS 293.169, 293.171, 293.353, 293.406, 293.450, 293.455, 293.460 and 293.465 to 293.485 apply to moneys received, held, kept, managed or invested by the State Treasurer for a university with a governing board pursuant to an

agreement entered into under ORS 352.135 and to checks, warrants or electronic funds transfers from or to any funds or accounts established pursuant to this subsection. For purposes of ORS 293.169, 293.171, 293.353, 293.406, 293.450, 293.455, 293.460 and 293.465 to 293.485:

(A) The university with a governing board that has entered into an agreement with the State Treasurer under ORS 352.135 is the relevant state agency or department; and

(B) The personnel of the university with a governing board authorized to provide instructions to the State Treasurer are the relevant state officers.

SECTION 8. (1) Section 7 of this 2014 Act and the amendments to ORS 351.735 by section 2 of this 2014 Act become operative on July 1, 2014.

(2) The amendments to ORS 351.755 and 351.758 by sections 3 and 4 of this 2014 Act become operative on July 1, 2015.

SECTION 9. This 2014 Act being necessary for the immediate preservation of the public peace, health and safety, an emergency is declared to exist, and this 2014 Act takes effect on its passage.

Passed by House March 6, 2014

.....
Ramona J. Line, Chief Clerk of House

.....
Tina Kotek, Speaker of House

Passed by Senate March 7, 2014

.....
Peter Courtney, President of Senate

Received by Governor:

.....M.,....., 2014

Approved:

.....M.,....., 2014

.....
John Kitzhaber, Governor

Filed in Office of Secretary of State:

.....M.,....., 2014

.....
Kate Brown, Secretary of State

Agency Name	Appropriation Description	Bill Number	Section/ Sub	Fund	General Fund	Lottery Funds	Other Funds	Federal Funds
ADMINISTRATION								
ADVOCACY COMMISSIONS OFFICE	Operating Expenses	SB 5501	01	GF	(8,301)	-	-	-
DEPT OF ADMIN SERVICES	Chief Operating Office	HB 5002	01-01	GF	(5,511)	-	-	-
DEPT OF ADMIN SERVICES	Enterprise Asset Management	HB 5002	01-02	GF	(25,298)	-	-	-
DEPT OF ADMIN SERVICES	Oregon Public Broadcasting	HB 5002	01-03	GF	(10,000)	-	-	-
DEPT OF ADMIN SERVICES	Oregon Historical Society	HB 5002	01-04	GF	(15,000)	-	-	-
SECRETARY OF STATE	Administrative Services	SB 5539	01-01	GF	(39,053)	-	-	-
SECRETARY OF STATE	Elections Division	SB 5539	01-02	GF	(136,133)	-	-	-
DEPT OF REVENUE	Administration	SB 5538	01	GF	(1,121,210)	-	-	-
DEPT OF REVENUE	Property Tax	SB 5538	02	GF	(289,008)	-	-	-
DEPT OF REVENUE	Personal Tax and Compliance	SB 5538	03	GF	(1,329,932)	-	-	-
DEPT OF REVENUE	Business	SB 5538	04	GF	(446,852)	-	-	-
DEPT OF REVENUE	Elderly Rental Assistance and Nonprofit Housing	SB 5538	05	GF	(113,440)	-	-	-
EMPLOYMENT RELATIONS BOARD	Operating Expenses	HB 5010	01	GF	(38,817)	-	-	-
OFFICE OF THE GOVERNOR	Operating Expenses	SB 5523	01	GF	(205,081)	-	-	-
OFFICE OF THE GOVERNOR	Expenses for Duties	SB 5523	02	GF	(1,000)	-	-	-
OREGON STATE LIBRARY	Operating Expenses	HB 5022	01	GF	(32,951)	-	-	-
CONSUMER AND BUSINESS SERVICES								
BUREAU OF LABOR AND INDUSTRIES	Operating Expenses	HB 5020	01	GF	(234,674)	-	-	-
ECONOMIC DEVELOPMENT								
ECONOMIC AND COMMUNITY DEVELOP	Arts Commission	HB 5028	01-01	GF	(89,679)	-	-	-
ECONOMIC AND COMMUNITY DEVELOP	Business, Innovation and Trade	HB 5028	03-01	LF	-	(1,178,533)	-	-
ECONOMIC AND COMMUNITY DEVELOP	Business, Innovation and Trade - Seismic Rehab	SB 813	18e-01	LF	-	(3,208)	-	-
ECONOMIC AND COMMUNITY DEVELOP	Shared Services	HB 5028	03-02	LF	-	(136,228)	-	-
ECONOMIC AND COMMUNITY DEVELOP	Shared Services - Seismic Rehab	SB 813	18e-02	LF	-	(2,413)	-	-
ECONOMIC AND COMMUNITY DEVELOP	Oregon Film & Video Office	HB 5028	03-03	LF	-	(23,072)	-	-
ECONOMIC AND COMMUNITY DEVELOP	Oregon Growth Board	HB 2323	14	LF	-	(2,000)	-	-
ECONOMIC AND COMMUNITY DEVELOP	Oregon Industrial Site Readiness Program	SB 246	08	LF	-	(3,585)	-	-
ECONOMIC AND COMMUNITY DEVELOP	Beginning and Expanding Farmer Loan Program	HB 2700	07	LF	-	(4,552)	-	-
DEPT OF HOUSING/COMMUNITY SVCS	Operating Expenses	HB 5015	01	GF	(169,304)	-	-	-
DEPT OF VETERANS AFFAIRS	Services Provided by ODVA	HB 5047	01-01	GF	(82,086)	-	-	-
DEPT OF VETERANS AFFAIRS	County Payments	HB 5047	01-02	GF	(91,535)	-	-	-
DEPT OF VETERANS AFFAIRS	Vet's Services Organizations Payments	HB 5047	01-03	GF	(2,212)	-	-	-
EDUCATION								
DEPT OF EDUCATION	Operations	SB 5518	01-01	GF	(909,397)	-	-	-
DEPT OF EDUCATION	Oregon School for the Deaf	SB 5518	01-02	GF	(222,340)	-	-	-
DEPT OF EDUCATION	Early intervention services and early childhood special education programs	SB 5518	02-01	GF	(2,720,844)	-	-	-
DEPT OF EDUCATION	Other special education programs	SB 5518	02-02	GF	(857,426)	-	-	-
DEPT OF EDUCATION	Blind and Visually Impaired Student Fund	SB 5518	02-03	GF	(19,769)	-	-	-
DEPT OF EDUCATION	Breakfast and summer food programs	SB 5518	02-04	GF	(46,375)	-	-	-
DEPT OF EDUCATION	Strategic investments	SB 5518	02-05	GF	(436,976)	-	-	-

Agency Name	Appropriation Description	Bill Number	Section/ Sub	Fund	General Fund	Lottery Funds	Other Funds	Federal Funds
DEPT OF EDUCATION	Other grant-in-aid programs	SB 5518	02-06	GF	(80,053)	-	-	-
DEPT OF EDUCATION	Oregon prekindergarten program	SB 5518	02-07	GF	(2,548,483)	-	-	-
DEPT OF EDUCATION	Other early learning programs	SB 5518	02-08	GF	(673,910)	-	-	-
DEPT OF EDUCATION	Youth development programs	SB 5518	02-09	GF	(114,982)	-	-	-
OREGON EDUCATION INVESTMENT BRD	Operating Expenses	SB 5548	01	GF	(123,176)	-	-	-
STUDENT ASSISTANCE COMMISSION	Oregon Opportunity Grants	HB 5032	01-01	GF	(2,269,536)	-	-	-
STUDENT ASSISTANCE COMMISSION	OSAC operations	HB 5032	01-02	GF	(63,076)	-	-	-
STUDENT ASSISTANCE COMMISSION	Other payments to individuals and institutions	HB 5032	01-03	GF	(28,985)	-	-	-
COMMUNITY COLLEGES DEPARTMENT	Operations	HB 5019	01-01	GF	(275,715)	-	-	-
COMMUNITY COLLEGES DEPARTMENT	Skills centers	HB 5019	01-03	GF	(12,000)	-	-	-
HIGHER EDUCATION COORD. COMM.	Operations	HB 5033	01	GF	(45,957)	-	-	-
HUMAN SERVICES								
LONG TERM CARE OMBUDSMAN	Operating Expenses	HB 5024	01	GF	(39,554)	-	-	-
COMMISSION FOR THE BLIND	Operating Expenses	HB 5003	01	GF	(31,287)	-	-	-
PSYCHIATRIC REVIEW BOARD	Operating Expenses	HB 5040	01	GF	(46,969)	-	-	-
DEPT OF HUMAN SERVICES	Central Services, Statewide Assessments & Enterprise-wide Costs	SB 5529	01-01	GF	(3,618,994)	-	-	-
DEPT OF HUMAN SERVICES	Child Welfare, Self Sufficiency, and Vocational Rehabilitation Services	SB 5529	01-02	GF	(16,897,531)	-	-	-
DEPT OF HUMAN SERVICES	Aging and People with Disabilities and Developmental Disabilities Programs	SB 5529	01-03	GF	(25,049,879)	-	-	-
OREGON HEALTH AUTHORITY	Programs	HB 5030	01-01	GF	(36,974,198)	-	-	-
OREGON HEALTH AUTHORITY	Central Services, Statewide Assessments and Enterprise-wide Costs	HB 5030	01-02	GF	(1,834,762)	-	-	-
JUDICIAL BRANCH								
JUDICIAL FIT OR DISABILITY COM	Administration	HB 5017	01-01	GF	(3,849)	-	-	-
JUDICIAL FIT OR DISABILITY COM	Extraordinary expenses	HB 5017	01-02	GF	(206)	-	-	-
JUDICIAL DEPARTMENT	Operations	HB 5016	01-02	GF	(5,455,635)	-	-	-
JUDICIAL DEPARTMENT	Mandated Payments	HB 5016	01-03	GF	(296,940)	-	-	-
JUDICIAL DEPARTMENT	Electronic Court	HB 5016	01-04	GF	(37,415)	-	-	-
JUDICIAL DEPARTMENT	Third-party Debt Collections	HB 5016	01-06	GF	(239,201)	-	-	-
JUDICIAL DEPARTMENT	Oregon Law Commission	HB 5016	05	GF	(4,492)	-	-	-
JUDICIAL DEPARTMENT	Council on Court Procedures	HB 5016	06	GF	(1,040)	-	-	-
JUDICIAL DEPARTMENT	Conciliation & mediation services in circuit courts	HB 5016	07-01	GF	(144,248)	-	-	-
JUDICIAL DEPARTMENT	Operating law libraries or providing law library services	HB 5016	08-01	GF	(144,248)	-	-	-
PUBLIC DEFENSE SERVICES	Appellate Division	HB 5041	01-01	GF	(291,347)	-	-	-
PUBLIC DEFENSE SERVICES	Professional Services	HB 5041	01-02	GF	(4,617,158)	-	-	-
PUBLIC DEFENSE SERVICES	Contract and Business Services Division	HB 5041	01-03	GF	(65,418)	-	-	-
LEGISLATIVE BRANCH								
LEGISLATIVE ADMIN COMMITTEE	General program	HB 5021	01-01	GF	(533,335)	-	-	-
LEGISLATIVE ASSEMBLY	Biennial General Fund	HB 5021	04	GF	(266,482)	-	-	-
LEGISLATIVE ASSEMBLY	77th Leg Assembly	HB 5021	05-01	GF	(338,307)	-	-	-
LEGISLATIVE ASSEMBLY	78th Leg Assembly	HB 5021	05-02	GF	(176,899)	-	-	-
LEGISLATIVE COUNSEL COMMITTEE	Operating Expenses	HB 5021	08	GF	(200,172)	-	-	-

Agency Name	Appropriation Description	Bill Number	Section/ Sub	Fund	General Fund	Lottery Funds	Other Funds	Federal Funds
LEGISLATIVE FISCAL OFFICER	Operating Expenses	HB 5021	11-01	GF	(73,889)	-	-	-
LEGISLATIVE REVENUE OFFICE	Operating Expenses	HB 5021	12	GF	(51,399)	-	-	-
INDIAN SERVICES COMMISSION	Operating Expenses	HB 5021	13	GF	(9,186)	-	-	-
NATURAL RESOURCES								
DEPT OF GEOLOGY AND INDUSTRIES	General Fund	HB 5014	01	GF	(51,519)	-	-	-
DEPT OF PARKS AND RECREATION	General Fund	HB 5034	01	GF	(20,000)	-	-	-
LAND USE APPEALS BOARD	General Fund	SB 5531	01	GF	(30,950)	-	-	-
DEPT OF WATER RESOURCES	Water resources program	SB 5547	01	GF	(540,096)	-	-	-
DEPT OF AGRICULTURE	Administrative and Support Services	SB 5502	01-01	GF	(33,821)	-	-	-
DEPT OF AGRICULTURE	Food Safety	SB 5502	01-02	GF	(130,436)	-	-	-
DEPT OF AGRICULTURE	Natural Resources	SB 5502	01-03	GF	(140,392)	-	-	-
DEPT OF AGRICULTURE	Agricultural Development	SB 5502	01-04	GF	(79,760)	-	-	-
DEPT OF ENVIRONMENTAL QUALITY	Air quality	SB 5520	01-01	GF	(114,865)	-	-	-
DEPT OF ENVIRONMENTAL QUALITY	Water quality	SB 5520	01-02	GF	(392,845)	-	-	-
DEPT OF ENVIRONMENTAL QUALITY	Land quality	SB 5520	01-03	GF	(15,194)	-	-	-
DEPT OF FISH AND WILDLIFE	Fish Division	HB 5013	01-01	GF	(252,570)	-	-	-
DEPT OF FISH AND WILDLIFE	Wildlife Division	HB 5013	01-02	GF	(9,787)	-	-	-
DEPT OF FISH AND WILDLIFE	Administrative Services Division	HB 5013	01-03	GF	(29,412)	-	-	-
DEPT OF FISH AND WILDLIFE	Capital Improvement	HB 5013	01-05	GF	(2,912)	-	-	-
DEPT OF FORESTRY	Agency administration	SB 5521	01-01	GF	(4,000)	-	-	-
DEPT OF FORESTRY	Fire protection	SB 5521	01-02	GF	(771,994)	-	-	-
DEPT OF FORESTRY	Private forests	SB 5521	01-03	GF	(286,486)	-	-	-
DEPT OF LAND CONSERVATION/DEVELOPMENT	Planning program	SB 5530	01-01	GF	(211,684)	-	-	-
DEPT OF LAND CONSERVATION/DEVELOPMENT	Grant Programs	SB 5530	01-02	GF	(24,653)	-	-	-
COLUMBIA RIVER GORGE COMMISSION	Operating Expenses	SB 5511	01	GF	(17,820)	-	-	-
PUBLIC SAFETY								
BOARD OF PAROLE/POST PRISON	General Fund	HB 5035	01	GF	(79,300)	-	-	-
OREGON STATE POLICE	Patrol services, criminal investigations and gaming enforcement	HB 5038	01-01	GF	(2,965,500)	-	-	-
OREGON STATE POLICE	Fish and wildlife enforcement	HB 5038	01-02	GF	(57,000)	-	-	-
OREGON STATE POLICE	Forensic services and State Medical Examiner	HB 5038	01-03	GF	(742,545)	-	-	-
OREGON STATE POLICE	Administrative Services, information management and Office of the State Fire Marshal	HB 5038	01-04	GF	(928,850)	-	-	-
DEPT OF CORRECTIONS	Operations and health services	HB 5005	01-01	GF	(17,849,890)	-	-	-
DEPT OF CORRECTIONS	Administration, general services and human resources	HB 5005	01-02	GF	(2,570,120)	-	-	-
DEPT OF CORRECTIONS	Offender management and rehabilitation	HB 5005	01-03	GF	(1,281,735)	-	-	-
DEPT OF CORRECTIONS	Community corrections	HB 5005	01-04	GF	(4,342,090)	-	-	-
DEPT OF CORRECTIONS	Capital Improvements	HB 5005	01-06	GF	(53,975)	-	-	-
CRIMINAL JUSTICE COMMISSION	General Fund	HB 5007	01	GF	(277,465)	-	-	-
DISTRICT ATTORNEYS/DEPUTIES	Department of Justice for District Attorneys	SB 5517	01	GF	(209,190)	-	-	-
DEPT OF JUSTICE	Office of AG & administration	HB 5018	01-01	GF	(6,000)	-	-	-
DEPT OF JUSTICE	Civil enforcement	HB 5018	01-02	GF	(77,855)	-	-	-
DEPT OF JUSTICE	Criminal Justice	HB 5018	01-03	GF	(168,930)	-	-	-
DEPT OF JUSTICE	Crime victims' services	HB 5018	01-04	GF	(114,900)	-	-	-
DEPT OF JUSTICE	Defense of criminal conviction	HB 5018	01-05	GF	(379,270)	-	-	-

HOUSE BILL 5008-A
ATTACHMENT A: 2013-15 Agency 2% Holdback Adjustments

Agency Name	Appropriation Description	Bill Number	Section/ Sub	Fund	General Fund	Lottery Funds	Other Funds	Federal Funds
DEPT OF JUSTICE	Child Support Division	HB 5018	01-06	GF	(465,565)	-	-	-
DEPT OF MILITARY	Administration	SB 5534	01-01	GF	(88,729)	-	-	-
DEPT OF MILITARY	Operations	SB 5534	01-02	GF	(127,396)	-	-	-
DEPT OF MILITARY	Emergency Management	SB 5534	01-03	GF	(37,768)	-	-	-
DEPT OF MILITARY	Community Support	SB 5534	01-04	GF	(4,114)	-	-	-
OREGON YOUTH AUTHORITY	Operations	HB 5050	01-01	GF	(5,017,373)	-	-	-
OREGON YOUTH AUTHORITY	Juvenile crime prevention/diversion	HB 5050	01-02	GF	(351,862)	-	-	-
OREGON YOUTH AUTHORITY	East Multnomah County gang funding	HB 5050	01-03	GF	(34,135)	-	-	-
OREGON YOUTH AUTHORITY	Multnomah County Gang Services	HB 5050	01-04	GF	(67,542)	-	-	-
OREGON YOUTH AUTHORITY	Capital Improvements	HB 5050	01-06	GF	(14,763)	-	-	-
TRANSPORTATION								
OREGON DEPT OF TRANSPORTATION	PTD: Elderly & People w/Disabilities Transportation Pgm	SB 5544	02	GF	(40,000)	-	-	-
TOTAL					(154,895,175)	(1,353,591)	-	-

77th OREGON LEGISLATIVE ASSEMBLY – 2013 Session
BUDGET REPORT AND MEASURE SUMMARY

MEASURE: HB 5019-A

Carrier – House: Rep. Komp

Carrier – Senate: Sen. Monroe

JOINT COMMITTEE ON WAYS AND MEANS

Action: Do Pass as Amended and as Printed A-Engrossed

Vote: 23 – 3 – 0

House

Yeas: Barker, Buckley, Frederick, Freeman, Hanna, Huffman, Komp, McLane, Nathanson, Read, Richardson, Smith, Tomei, Williamson

Nays: Jenson

Exc:

Senate

Yeas: Bates, Devlin, Edwards, Hansell, Johnson, Monroe, Steiner Hayward, Whitsett, Winters

Nays: Girod, Thomsen

Exc:

Prepared By: Bill McGee, Department of Administrative Services

Reviewed By: Doug Wilson, Legislative Fiscal Office

Meeting Date: June 14, 2013

Agency

Department of Community Colleges and Workforce Development

Biennium

2013-15

Budget Summary*

	2011-13 Legislatively Approved Budget ⁽¹⁾	2013-15 Current Service Level	2013-15 Committee Recommendation	Committee Change from 2011-13 Leg. Approved	
				\$ Change	% Change
General Fund	\$ 402,796,921	\$ 439,278,936	\$ 465,089,087	\$ 62,292,166	15.5%
General Fund Debt Service	\$ 15,693,047	\$ 19,097,991	\$ 16,634,740	\$ 941,693	6.0%
Lottery Funds Debt Service	\$ 7,144,080	\$ 9,779,594	\$ 9,521,027	\$ 2,376,947	33.3%
Other Funds	\$ 6,869,643	\$ 6,164,804	\$ 7,030,832	\$ 161,189	2.3%
Other Funds Debt Service	\$ 200,000	\$ 0	\$ 307,051	\$ 107,051	53.5%
Federal Funds	\$ 118,161,396	\$ 116,068,422	\$ 107,240,541	\$ (10,920,855)	-9.2%
Federal Funds Nonlimited	\$ 18,968,831	\$ 18,968,831	\$ 18,968,831	\$ 0	0.0%
Federal Funds Debt Services Nonlimited	\$ 1	\$ 1	\$ 1	\$ 0	0.0%
Total	\$ 569,833,919	\$ 609,358,579	\$ 624,792,110	\$ 54,958,191	9.6%

Position Summary

Authorized Positions	62	59	59	-3
Full-time Equivalent (FTE) positions	61.45	58.70	58.70	-2.75

⁽¹⁾ Includes adjustments through December 2012

* Excludes Capital Construction expenditures

Summary of Revenue Changes

General Fund supports community college operations, department operations, and debt service. Almost 95 percent of General Fund in the Department of Community College and Workforce Development (CCWD) 2013-15 budget is distributed to the 17 community colleges through the Community College Support Fund. General Fund does not make up a significant amount of funding for CCWD staffing – of the agency’s 61.45 full-time equivalent (FTE) positions in the 2011-13 biennium, only 8.65 FTE are funded with General Fund.

General Fund and Lottery Funds support debt service on state general obligation and lottery-backed bonds issued for community college capital construction and deferred maintenance projects. Other Funds revenue sources include federal Carl Perkins Technical Applied Technology Act funds transferred from the Oregon Department of Education; fees charged for General Education Diploma (GED) testing; and miscellaneous

receipts from the sale of community college directories and reimbursements. Amusement device tax revenues are statutorily provided for Oregon Youth Conservation Corps (OYCC) program support. OYCC also receives transfers from the Marine Board to support youth projects. CCWD continues to receive a small amount of timber tax revenues to support the Community College Support Fund following changes to the tax structure in House Bill 2197 (2003).

The Subcommittee ratified fee increases for administrative costs related to General Education Development (GED) exam tests. The tests are created by the GED Testing Service, a joint venture between the American Council on Education and Pearson Education. GED Testing also establishes test administration procedures and passing standards. Individual states administer the test; CCWD is Oregon's designated administrative agency. An increase in the fee structure was approved by the Department of Administrative Services in May 2013. The change corresponds with a move from a paper-based single comprehensive fee for all components of the exam to a series of smaller fees for computer-based individual exam components. The new test will also be integrated with the Common Core Standards for high school graduation adopted by the Oregon State Board of Education and many other states.

The Department receives the majority of its Federal Funds under Workforce Investment Act (WIA) program received from the U.S. Department of Labor. WIA Title IB funds support adult dislocated worker, youth education training, and other workforce programs. The WIA Title II Adult Basic Education program funds developmental education for adults. OYCC receives federal funds from the Bureau of Land Management to provide work experience for at-risk youth in natural resource projects.

Federal National Emergency Grants are received intermittently following economic dislocations and large layoffs. These grants are spent under Non-limited expenditure authority.

Summary of Education Subcommittee Action

Under the direction of the State Board of Education, the Department of Community Colleges and Workforce Development (CCWD) coordinates the efforts of the state's 17 community colleges and initiates programs to maintain educational opportunities and workforce development capacity within the state. The Department distributes federal workforce development funds to local programs. The Oregon Youth Conservation Corps (OYCC) is also part of the agency.

The Subcommittee approved a budget of \$624,792,110 total funds including \$481,723,827 General Fund, \$9,521,027 Lottery Funds, and 58.70 full-time equivalent positions (FTE). General Fund is increased from the 2011-13 Legislatively Approved Budget (LAB) by 15.1 percent due to increased support for community colleges, funding of a statewide workforce initiative and increased debt service costs on bonds sold for community college capital construction projects. Lottery Funds are increased by 33.3 percent due to increased debt service on bonds sold for community college capital construction and deferred maintenance projects. Total funds are increased by 7.8 percent and full-time equivalent positions are reduced by 4.5 percent.

The approved budget includes \$450 million General Fund for the Community College Support Fund, the state's contribution to the operation of Oregon's 17 community colleges. In the 2011-13 biennium, funding for the Support Fund was less than \$400 million. An additional \$7.5 million

General Fund is included to expand workforce programs, including Back to Work Oregon, National Career Readiness Certificates, and others. Funding is provided to train Community Care Workers as part of Oregon's federal Medicaid waiver. Funds are restored for the North Clackamas School District and Portland Community College skills centers. The approved budget also adjusts the Community College Support Fund and CCWD operations for PERS savings anticipated from Senate Bill 822.

Office Operations

The Office Operations program unit provides leadership, coordination, accountability, and technical assistance to Oregon's community colleges and local workforce investment programs. With the exception of the OYCC program, all administrative staff and expenditures are contained in this unit. Federal resources distributed to community colleges and workforce providers are included in separate program units.

The Subcommittee approved a budget of \$30,899,162 total funds including \$13,815,287 General Fund and 55.70 full-time equivalent positions (FTE). General Fund is increased from the 2011-13 LAB by 112.4 percent due to funding for the Governor's workforce initiative. Total funds are increased by 22.9 percent while FTE is reduced by 4.7 percent.

The Subcommittee took the following actions:

- Approved the base budget and essential packages.
- Approved Package 070 that reduces the Federal Funds expenditure limitation by \$1,079,676 to reflect lower revenues from the WIA Title IB program. The reduction in this program unit is taken in the Services and Supplies professional services account. A related reduction in the Federal and Other Support budget unit also reflects lower revenues from this federal workforce program.
- Approved Package 081 that eliminates an Office Specialist 2 position (1.00 full-time equivalents) which was identified for elimination by the Emergency Board at its May 2012 meeting. The packages reduce General Fund by \$40,862, Other Funds by \$20,432 and Federal Funds by \$40,863.
- Approved Package 090 that eliminates two vacant positions (Policy Analyst 3 and Program Analyst 3) which had been funded with Federal Funds. Funding for an Accountant 2 position is shifted from General Fund to a mixture of Other Funds and Federal Funds. In addition, General Fund is reduced by \$75,000 for temporary employees and by \$25,000 for various Services and Supplies accounts. These actions reduce General Fund by \$109,704, increase Other Funds by \$4,852, reduce Federal Funds by \$384,583, and eliminate two positions (2.00 FTE).
- Approved Package 091, a placeholder for administrative efficiencies in finance, information technology, human resources, accounting, payroll, and procurement expenditures. This package generates \$357,844 in total funds savings. The Department of Administrative Services will continue to work on these reductions with agencies and report back to the 2014 legislative session.

- Approved Package 092 which includes \$29,170 in total funds savings reflecting the policy change in Senate Bill 822 that eliminates the increased retirement benefits resulting from Oregon income taxation of payments if the person receiving the payments does not pay Oregon income tax on those benefits and is not an Oregon resident. The change reduces state employer contribution rates by approximately 0.3 percent.
- Approved Package 093 which includes \$233,080 in total funds savings reflecting the policy change in Senate Bill 822 that modifies the cost-of-living adjustment under the Public Employees Retirement System. The change reduces state employer contribution rates by approximately 2.2 percent. These savings also include the impact of the direction to the PERS Board in SB 822 to reduce employer contribution rates.
- Approved Package 102 that increases Other Funds by \$150,000 for the monitoring and oversight of capital construction projects at the 17 community colleges that are funded with state bonds. Monitoring and oversight is contracted to a private sector project management firm. The colleges provide funding for this function.
- Approved Package 201 that funds the Governor's workforce initiative at \$7,498,530 General Fund. The package was reduced from the proposed \$10 million investment due to General Fund constraints. The package includes resources for the establishment of two full-time permanent positions-- a Program Analyst 4 and an Administrative Specialist 2 – as well as other costs to support the elements of the initiative. The package also shifts \$1.8 million from Special Payments as included in the Governors' budget to Services and Supplies (Professional Services) as the agency will contract for the services.

The package has the following components:

1. Expands the Back to Work Oregon program by \$2.8 million General Fund, which will be administered by local workforce investment boards in cooperation with the Employment Department. The program has two components: on-the-job training and Oregon's National Career Readiness Certificate program. The additional funding is anticipated to help over 500 unemployed workers find long-term employment. The Current Service Level includes over \$3 million for the program.
2. Provides \$1.5 million General Fund for the National Career Readiness Certificate program, which provides workers with a "portable" certificate verifying their qualifications. The funds backfill nearly all 2011-13 federal support for the program that does not continue into 2013-15.
3. Includes \$750,000 General Fund for the Certified Work Ready Communities program that certifies counties or regions as work ready and prepared to change their economic base and attract new businesses and jobs.
4. Provides \$1.45 million General Fund for Supporting Sector Strategies which are employer-driven partnerships to match the needs and skill sets of key industries within a regional labor market.

5. Includes \$525,000 General Fund to contract for technical assistance to local workforce programs to assist in evaluation, marketing, and outreach.
- Approved Package 811 that provides \$820,000 in additional Other Funds expenditure limitation for grants received in the 2011-13 biennium that will continue into 2013-15. Grants include National Career Readiness Certificate, Core to College Lumina grant, and the Credit When Due Lumina grant. The package also includes reauthorization of a limited duration Operations and Policy Analyst 4 position (1.00 FTE) for the 2013-15 biennium. The package also includes \$11,000 Other Funds limitation for General Education Development (GED) exam fee revenues. An increase in the fee structure was approved by the Department of Administrative Services in May 2013. The change corresponds with a move from a paper-based single comprehensive fee for all components of the exam to a series of smaller fees for computer-based individual exam components. The new test will also be integrated with the Common Core Standards for high school graduation adopted by the Oregon State Board of Education and many other states. The increased expenditure limitation is primarily due to an anticipated increase in the number of people taking the test.

State Support to Community Colleges

This unit contains the Community College Support Fund, the state's contribution to community college operations. It also includes state support for other programs administered by the colleges.

The Subcommittee approved a budget of \$451,273,800 General Fund and \$25,308 Other Funds. General Fund is increased from the 2011-13 LAB by 13.9 percent. Other Funds are unchanged from the LAB. No positions or FTE are included in this program unit.

The Subcommittee took the following actions:

- Approved the base budget and essential packages.
- Approved Package 092 which includes \$594,081 in General Fund savings reflecting the policy change in Senate Bill 822 that eliminates the increased retirement benefits resulting from Oregon income taxation of payments if the person receiving the payments does not pay Oregon income tax on those benefits and is not an Oregon resident. The change reduces employer contribution rates by approximately 0.3 percent.
- Approved Package 093 which includes \$8,713,195 in General Fund savings reflecting the policy change in Senate Bill 822 that modifies the cost-of-living adjustment under the Public Employees Retirement System. The change reduces employer contribution rates by approximately 2.2 percent. These savings also include the impact of the direction to the PERS Board in SB 822 to reduce employer contribution rates.
- Approved Package 101 that increase state support for the 17 community colleges by \$26,579,369 General Fund. This addition increases the Community College Support Fund from less than \$400 million in 2011-13 to \$450 million in 2013-15.
- Approved Package 202 that provides \$673,800 General Fund to the community colleges to expand and coordinate programs for training community healthcare workers to support the newly formed Community Care Organizations. This action is related to the Medicaid waiver

Oregon was recently granted by the federal government. This package is expected to assist in training 300 or more community healthcare workers by 2015.

- Approved Package 810 that adds \$600,000 General Fund to support the North Clackamas School District's Sabin Schellenberg Professional Technical Center and the Portland Community College Margaret Carter Skill Center.

Federal and Other Support

This unit contains Other Funds and Federal Funds that are distributed to community colleges, local workforce service areas, and other local providers. Federal Funds are received from the U.S. Department of Labor for Workforce Investment Act (WIA) Title IB programs and Title II Adult Basic Education program. Other Funds include federal Carl Perkins Technical and Applied Technology Act Funds transferred from the Department of Education.

The Subcommittee approved a budget of \$112,522,869 total funds, reduced from the 2011-13 LAB by 6.7 percent, reflecting reductions in federal WIA funding. No positions or FTE are included in this program unit.

The Subcommittee took the following actions.

- Approved the base budget and essential packages.
- Approved Package 070 that reduces the Federal Funds expenditure limitation by \$7,725,521 to reflect lower revenues from the WIA Title IB program. The reduction in this program unit is taken in Special Payments, resulting in few resources sent to the local workforce investment councils. A related reduction in the Office Operations budget unit also reflects lower revenues from this federal workforce program.

Oregon Youth Conservation Corps

The Oregon Youth Conservation Corps (OYCC) provides education, training, and employment opportunities for disadvantaged and at-risk youth ages 16 to 25. Work experience is provided through partnerships with public natural resource agencies.

The Subcommittee approved a budget of \$2,524,403 Other Funds. \$1,083,749 Federal Funds and 3.00 full-time equivalent positions. Other Funds are increased from the 2011-13 LAB by 2.5 percent while Federal Funds are reduced by 51.9 percent due to the expiration of federal grants. FTE is unchanged.

The Subcommittee took the following action:

- Approved the base budget and essential packages.
- Approved Package 081 that increased Federal Funds by \$851,813 for grants from the Bureau of Land Management for youth employment opportunities on natural resource projects. The package includes the same amount authorized by the Emergency Board at its May 2012

meeting for the 2011-13 biennium. CCWD receives these funds periodically with little notice so the agency may need to return to the Legislature or the Emergency Board for increases in its Federal Funds expenditure limitation in the future.

- Approved Package 092 which includes \$1,341 in Other Funds savings reflecting the policy change in Senate Bill 822 that eliminates the increased retirement benefits resulting from Oregon income taxation of payments if the person receiving the payments does not pay Oregon income tax on those benefits and is not an Oregon resident.. The change reduces state employer contribution rates by approximately 0.3 percent. These savings also include the impact of the direction to the PERS Board in SB 822 to reduce employer contribution rates.
- Approved Package 093 which includes \$10,714 in Other Funds savings reflecting the policy change in Senate Bill 822 that modifies the cost-of-living adjustment under the Public Employees Retirement System. The change reduces state employer contribution rates by approximately 2.2 percent.

Debt Service

This program unit includes debt service on Article XI-G bonds and Lottery Bonds sold to finance community college construction and deferred maintenance projects. The Subcommittee approved a budget of \$16,634,740 General Fund \$9,521,027 Lottery Funds, and \$26,462,819 total funds. General Fund is increased by six percent, Lottery Funds by 33.3 percent, and total funds by 14.9 percent. There are no positions or FTE included in this program unit.

The Subcommittee took the following action:

- Approved the base budget and essential packages.
- Approved Package 090 that reduces General Fund by \$2,156,200 to capture debt service savings from the delay of capital construction projects at Clackamas Community College and Umpqua Community College that were approved by a prior legislature. Due to the delays, bonds for the projects have not been sold and the debt service is not required.
- Approved Package 810 that includes adjustments based on the most recent estimate of debt service obligations in the 2013-15 biennium for currently issued bonds. Lottery Fund costs are reduced by \$258,567 due to refunding of outstanding bonds and final determination of interest rates following a recently completed sale. In addition, \$307,051 is shifted from General Fund to Other Funds due to the availability of excess interest earnings on bond proceeds that can be used to pay debt costs.

Summary of Performance Measure Action

The Subcommittee approved the Department's performance measures and targets. These recommendations are shown in the Legislatively Adopted 2113-15 Key Performance Measures form attached. Targets were updated to better reflect the most recent history for each measure. Three new measures related to Adult Basic Skills were added, replacing a single measure related to Basic Skills and English as a Second

Language. As with other education related agencies, CCWD is directed to review its KPMs as part of its 2015-17 budget preparation in light of Oregon Education Investment Board goals and associated metrics.

DETAIL OF JOINT COMMITTEE ON WAYS AND MEANS ACTION

HB 5019-A

**Department of Community Colleges and Workforce Development
Bill McGee 503-378-2078**

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE
			LIMITED	NONLIMITED	LIMITED	NONLIMITED			
2011-13 Legislatively Approved Budget at Dec 2012 *	\$ 418,489,968	\$ 7,144,080	\$ 7,069,643	\$ 0	\$ 118,161,396	\$ 18,968,832	\$ 569,833,919	62	61.45
2013-15 ORBITS printed Current Service Level (CSL)*	\$ 458,376,927	\$ 9,779,594	\$ 6,164,804	\$ 0	\$ 116,068,422	\$ 18,968,832	\$ 609,358,579	59	58.70
<u>SUBCOMMITTEE ADJUSTMENTS (from CSL)</u>									
SCR 001: Office Operations									
Package 070: Revenue Shortfalls									
Services and Supplies: Professional Services	\$ 0	\$ 0	\$ 0	\$ 0	\$ (1,079,676)	\$ 0	\$ (1,079,676)		
Package 081: May 2012 Eboard									
Personal Services	\$ (40,862)	\$ 0	\$ (20,432)	\$ 0	\$ (40,863)	\$ 0	\$ (102,157)	-1	-1.00
Package 090: Analsyt Adjustments									
Personal Services	\$ (84,704)	\$ 0	\$ 4,852	\$ 0	\$ (384,583)	\$ 0	\$ (464,435)	-2	-2.00
Services and Supplies	\$ (25,000)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ (25,000)		
Package 091: Statewide Administrative Savings									
Personal Services	\$ (30,771)	\$ 0	\$ (25,795)	\$ 0	\$ (148,487)	\$ 0	\$ (205,053)	0	0.00
Services and Supplies	\$ (8,592)	\$ 0	\$ (30,097)	\$ 0	\$ (114,102)	\$ 0	\$ (152,791)		
Package 092 PERS Taxation Policy									
Personal Services	\$ (4,932)	\$ 0	\$ (3,498)	\$ 0	\$ (20,740)	\$ 0	\$ (29,170)	0	0.00
Package 093 Other PERS Adjustments									
Personal Services	\$ (39,411)	\$ 0	\$ (27,947)	\$ 0	\$ (165,722)	\$ 0	\$ (233,080)	0	0.00
Package 102 Community College Capital Construction									
Services and Supplies	\$ 0	\$ 0	\$ 150,000	\$ 0	\$ 0	\$ 0	\$ 150,000		
Package 201: Workforce Initiative									
Personal Services	\$ 297,213	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 297,213	2	2.00
Services and Supplies	\$ 2,201,317	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 2,201,317		
Special Payments -- Dist to Other Govt Units	\$ 5,000,000	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 5,000,000		

DETAIL OF JOINT COMMITTEE ON WAYS AND MEANS ACTION

HB 5019-A

**Department of Community Colleges and Workforce Development
Bill McGee 503-378-2078**

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE
			LIMITED	NONLIMITED	LIMITED	NONLIMITED			
Package 811: Grant Related Adjustments									
Personal Services	\$ 0	\$ 0	\$ 186,406	\$ 0	\$ 0	\$ 0	\$ 186,406	1	1.00
Services and Supplies	\$ 0	\$ 0	\$ 11,000	\$ 0	\$ 0	\$ 0	\$ 11,000		
Special Payments -- Dist to Other Govt Units	\$ 0	\$ 0	\$ 633,594	\$ 0	\$ 0	\$ 0	\$ 633,594		
SCR 002 State Support to CCs									
Package 092 PERS Taxation Policy									
Special Payment -- Dist to Comm Colleges	\$ (594,081)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ (594,081)		
Package 093 Other PERS Adjustments									
Special Payment -- Dist to Comm Colleges	\$ (8,713,195)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ (8,713,195)		
Package 101 State Support to Community Colleges									
Special Payment -- Dist to Comm Colleges	\$ 26,579,369	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 26,579,369		
Package 202: Community Care Worker Training									
Special Payment -- Dist to Comm Colleges	\$ 673,800	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 673,800		
Package 810: LFO Analyst Adjustments									
Special Payment -- Dist to Comm Colleges	\$ 600,000	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 600,000		
SCR 003 Federal/Other Support									
Package 070: Revenue Shortfalls									
Special Payments	\$ 0	\$ 0	\$ 0	\$ 0	\$ (7,725,521)	\$ 0	\$ (7,725,521)		
SCR 004 Oregon Youth Conservation Corps									
Package 081: May 2012 Eboard									
Services and Supplies	\$ 0	\$ 0	\$ 0	\$ 0	\$ 25,554	\$ 0	\$ 25,554	0	
Special Payments -- Dist to Other Govt Units	\$ 0	\$ 0	\$ 0	\$ 0	\$ 826,259	\$ 0	\$ 826,259	0	
Package 092 PERS Taxation Policy									
Personal Services	\$ 0	\$ 0	\$ (1,341)	\$ 0	\$ 0	\$ 0	\$ (1,341)	0	0.00

DETAIL OF JOINT COMMITTEE ON WAYS AND MEANS ACTION

HB 5019-A

**Department of Community Colleges and Workforce Development
Bill McGee 503-378-2078**

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE
			LIMITED	NONLIMITED	LIMITED	NONLIMITED			
Package 093 Other PERS Adjustments									
Personal Services	\$ 0	\$ 0	\$ (10,714)	\$ 0	\$ 0	\$ 0	\$ (10,714)	0	0.00
SCR 005 Debt Service									
Package 090: Analyst Adjustments									
Principal -- bonds	\$ (430,000)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ (430,000)	0	
Interest -- bonds	\$ (1,726,200)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ (1,726,200)	0	
Package 810 LFO Analyst Adjustments									
Debt service	\$ (307,051)	\$ (258,567)	\$ 307,051	\$ 0	\$ 0	\$ 0	\$ (258,567)	0	0.00
TOTAL ADJUSTMENTS	\$ 23,346,900	\$ (258,567)	\$ 1,173,079	\$ 0	\$ (8,827,881)	\$ 0	\$ 15,433,531	0	0.00
SUBCOMMITTEE RECOMMENDATION *	\$ 481,723,827	\$ 9,521,027	\$ 7,337,883	\$ 0	\$ 107,240,541	\$ 18,968,832	\$ 624,792,110	59	58.70
% Change from 2011-13 Leg Approved Budget	15.1%	33.3%	3.7%	0.0%	-9.2%	0.0%	9.6%	-4.8%	-4.5%
% Change from 2013-15 Current Service Level	5.1%	-2.6%	19.0%	0.0%	-7.6%	0.0%	2.5%	0.0%	0.0%

*Excludes Capital Construction Expenditures

Legislatively Approved 2013-2015 Key Performance Measures

Agency: COMMUNITY COLLEGES and WORKFORCE DEVELOPMENT, DEPT. of

Mission: The mission of the Department of Community Colleges and Workforce Development is to contribute leadership and resources to increase the skills, knowledge and career opportunities of Oregonians.

Legislatively Proposed KPMs	Customer Service Category	Agency Request	Most Current Result	Target 2014	Target 2015
1 - SUCCESSFUL GED APPLICANTS – Percentage of GED certificate applicants successful.		Approved KPM	81.50	82.00	82.00
2 - AT-RISK YOUTH EXIT SUCCESSFULLY – Percentage of enrolled at-risk youth who remained in or returned to school, or obtained their high school diploma/equivalent upon exiting the program.		Approved KPM	66.70	70.00	70.00
3 - YOUTH EMPLOYED UPON EXIT – Percentage of enrolled older at-risk youth who obtained employment upon exiting the program.		Approved KPM	60.40	62.00	62.00
4 - ADULTS EMPLOYED UPON EXIT – Percentage of clients served in adult workforce programs who obtained employment upon exiting the program.		Approved KPM	50.20	60.00	60.00
5 - DISLOCATED WORKER WAGES – Percentage of dislocated workers who obtained employment with at least 80% of prior earnings.		Approved KPM	75.80	76.00	76.00
6 - CURRENT/INCUMBENT WORKER EMPLOYMENT – Percentage of current/incumbent workers who retained employment after exit.		Approved KPM	81.00	82.00	82.00
8 - NURSING COMPLETION – Percentage of students who successfully complete a Nursing program.		Approved KPM	92.40	96.00	96.00
10 - BITS COMPANY SATISFACTION – Percent of companies ranking training they received through community college Business and Industry Training System (BITS) as good or better.		Approved KPM	95.80	96.00	96.00
11 - LICENSING/CERTIFICATION RATES – Oregon community college students' pass rates for national licensing tests compared to national pass rates.		Approved KPM	93.03	94.00	94.00
12 - PROFESSIONAL TECHNICAL DEGREE/CERTIFICATE COMPLETION – Number of professional-technical degrees and certificates awarded.		Approved KPM	7,439.00	7,600.00	7,600.00

Agency: COMMUNITY COLLEGES and WORKFORCE DEVELOPMENT, DEPT. of

Mission: The mission of the Department of Community Colleges and Workforce Development is to contribute leadership and resources to increase the skills, knowledge and career opportunities of Oregonians.

Legislatively Proposed KPMs	Customer Service Category	Agency Request	Most Current Result	Target 2014	Target 2015
13 - ASSOCIATE DEGREE COMPLETION – Percentage of students in Associates degree programs who obtain an Associates degree.		Approved KPM	24.70	32.00	32.00
14 - STUDENT TRANSFERS TO OUS – Percentage of students attending an Oregon community college during one academic year who transfer to an OUS institution the following academic year.		Approved KPM	14.70	18.00	18.00
15 - PROGRESS OF TRANSFER STUDENTS – Percentage of community college transfer students who demonstrate progress by returning for the second year.		Approved KPM	77.70	82.00	82.00
16 - TUITION/FEES – Oregon's rank for college tuition and fees among all western states.		Approved KPM	3.00	5.00	5.00
17 - HIGH SCHOOL PARTICIPATION – Number of high school students enrolled in community college credit programs.		Approved KPM	24,930.00	27,000.00	27,000.00
18 - MINORITY ENROLLMENT – Each minority's proportion of total community college enrollment as a percentage of each minority's proportion of the general population, by racial/ethnic group. A. African/American, B. Asian/Pacific Islander, C. Hispanic/Latino, D. Native American		Approved KPM	126.00	100.00	100.00
19 - CUSTOMER SERVICE – Percentage of customers rating their satisfaction with the agency's customer service as "good" or "excellent": overall customer service, timeliness, accuracy, helpfulness, expertise and availability of information.	Accuracy	Approved KPM	80.00	70.00	70.00
19 - CUSTOMER SERVICE – Percentage of customers rating their satisfaction with the agency's customer service as "good" or "excellent": overall customer service, timeliness, accuracy, helpfulness, expertise and availability of information.	Availability of Information	Approved KPM	80.00	70.00	70.00
19 - CUSTOMER SERVICE – Percentage of customers rating their satisfaction with the agency's customer service as "good" or "excellent": overall customer service, timeliness, accuracy, helpfulness, expertise and availability of information.	Expertise	Approved KPM	80.00	70.00	70.00
19 - CUSTOMER SERVICE – Percentage of customers rating their satisfaction with the agency's customer service as "good" or "excellent": overall customer service, timeliness, accuracy, helpfulness, expertise and availability of information.	Helpfulness	Approved KPM	80.00	70.00	70.00

Agency: COMMUNITY COLLEGES and WORKFORCE DEVELOPMENT, DEPT. of

Mission: The mission of the Department of Community Colleges and Workforce Development is to contribute leadership and resources to increase the skills, knowledge and career opportunities of Oregonians.

Legislatively Proposed KPMs	Customer Service Category	Agency Request	Most Current Result	Target 2014	Target 2015
19 - CUSTOMER SERVICE – Percentage of customers rating their satisfaction with the agency’s customer service as “good” or “excellent”: overall customer service, timeliness, accuracy, helpfulness, expertise and availability of information.	Overall	Approved KPM	80.00	70.00	70.00
19 - CUSTOMER SERVICE – Percentage of customers rating their satisfaction with the agency’s customer service as “good” or “excellent”: overall customer service, timeliness, accuracy, helpfulness, expertise and availability of information.	Timeliness	Approved KPM	80.00	70.00	70.00
20 - BEST PRACTICES - Percent of total best practices met by the Board.		Approved KPM	94.00	100.00	100.00

LFO Recommendation:

LFO and the agency worked together to update many of the targets for 2014 and 2015 to better reflect the most recent history for each measure. LFO also agrees with the proposed deletion of KPM #7 and the addition of the proposed three new KPMs outlined in the table above.

As with other education related agencies, LFO recommends that the agency review its KPMs in light of the Oregon Education Investment Board’s goals and associated metrics when preparing for the 2015-17 budget cycle.

Sub-Committee Action:

Approved the LFO Recommendation.

**77th OREGON LEGISLATIVE ASSEMBLY – 2013 Session
BUDGET REPORT AND MEASURE SUMMARY**

MEASURE: HB 5033-A

**Carrier – House: Rep. Frederick
Carrier – Senate: Sen. Edwards**

JOINT COMMITTEE ON WAYS AND MEANS

Action: Do Pass as Amended and as Printed A-Engrossed

Vote: 17 – 9 – 1

House

Yeas: Barker, Buckley, Frederick, Huffman, Jenson, Komp, Nathanson, Read, Smith, Tomei, Williamson

Nays: Freeman, Hanna, McLane, Richardson

Exc:

Senate

Yeas: Bates, Devlin, Edwards, Monroe, Steiner Hayward, President Courtney

Nays: Girod, Hansell, Thomsen, Whitsett, Winters

Exc: Johnson

Prepared By: Bill McGee, Department of Administrative Services

Reviewed By: Doug Wilson, Legislative Fiscal Office

Meeting Date: June 19, 2013

Agency

Higher Education Coordinating Commission

Biennium
2013-15

Budget Summary*

	2011-13 Legislatively Approved Budget ⁽¹⁾	2013-15 Current Service Level	2013-15 Committee Recommendation	Committee Change from 2011-13 Leg. Approved	
				\$ Change	% Change
General Fund	\$ 0	\$ 0	\$ 2,297,824	\$ 2,297,824	100.0%
Other Funds	\$ 0	\$ 0	\$ 1,736,759	\$ 1,736,759	100.0%
Other Funds Nonlimited	\$ 0	\$ 0	\$ 200,000	\$ 200,000	100.0%
Federal Funds	\$ 0	\$ 0	\$ 342,759	\$ 342,759	100.0%
Total	\$ 0	\$ 0	\$ 4,577,342	\$ 4,577,342	100.0%

Position Summary

Authorized Positions	0	0	21	21
Full-time Equivalent (FTE) positions	0.00	0.00	16.96	16.96

⁽¹⁾ Includes adjustments through December 2012

* Excludes Capital Construction expenditures

Summary of Revenue Changes

A General Fund appropriation funds commission and operations staff of the Higher Education Coordinating Commission (HECC). In the 2013-15 biennium, HECC also receives a one-time General Fund appropriation to assist with the transition of the Private Career School program from the Department of Education.

The Private Career Schools program is intended to be completely self-funded with Other Funds licensing fees paid by for-profit institutions offering career training and issuing post-secondary certificates. In recent biennia, however, the Department of Education has subsidized the program with General Fund to help address workload backlogs. Increased revenues resulting from the anticipated passage of fee increases in House Bill 2185 and House Bill 2188 is expected to place the program on a more secure financial footing and replace the one-time General Fund appropriation.

The Tuition Protection Fund reimburses students attending private careers schools for part of their tuition payments when a school closes unexpectedly or ceases to offer an instructional program and is not able to make tuition refunds or arrange alternative instructional placements. The fund, managed by the Private Career Schools program, can also be expended for administrative costs. Licensed schools make payments into the fund based on the gross tuition amount reported for the school. Distributions to students from the fund are budgeted as Other Funds Nonlimited.

Also included in the transfer from the Department of Education is a federally funded program responsible for approving programs offered at public and private educational institutions in Oregon for veterans eligible for GI Bill education benefits. Funding to support the program is received under a contract with the U.S. Department of Veterans Affairs and is expended as Federal Funds.

The Degree Authorization program is funded through fees paid by colleges, universities or individuals for academic program evaluation and approval, degree authorization, and degree validation. The approved budget anticipates the adoption of Senate Bill 102 that modifies fees charged to institutions for institutional and academic program reviews. The additional revenue generated by the new fee structure will allow the program to better manage a workload that has grown as on-line and for-profit degree programs offered in Oregon has increased significantly.

Summary of Education Subcommittee Action

The Higher Education Coordinating Commission (HECC) was created in 2011 by Senate Bill 242 and further refined in 2012 by Senate Bill 1538. The Commission has 15 members appointed by the Governor and confirmed by the Senate. Its primary focus is strategic planning for post-secondary education in the state. HECC is also charged with advising the Oregon Education Investment Board on state investments for post-secondary education.

Other responsibilities of HECC include:

- Developing goals and accountability measures for the post-secondary system.
- Developing a strategic plan for achieving the state's higher education goals (e.g. 40-40-20).
- Developing a finance model for higher education aligned with the goals in the strategic plan.
- Recommending to the Governor and the Legislature a consolidated higher education budget consistent with the finance model.
- Coordinating with the Oregon Student Access Commission to maximize the effectiveness of student financial assistance programs.
- Approving and authorizing degrees for the Oregon University System.
- Administering and operating the Office of Degree Authorization (ODA) and the Private Career Schools program.

The Legislature has also assigned specific activities or studies to HECC including the Credit for Prior Learning workgroup and the Textbook Affordability study. Although HECC was established for the 2011-13 biennium, no funds were allocated for its general operation and no employees were hired.

The Office of Degree Authorization was transferred to HECC in 2011 but its budget remained with the Oregon Student Access Commission (OSAC). The Private Career Schools program is scheduled under current law to be transferred from the Oregon Department of Education at the beginning of the 2013-15 biennium. The budgets for both programs are included in the overall HECC budget for 2013-15.

The Subcommittee approved a budget of \$4,577,342 total funds, including \$2,297,824 General Fund and 21 positions (16.96 full-time equivalent.) The approved budget appropriates General Fund and establishes positions to implement the educational mission of the commission,

It transfers funds and positions from the Oregon Student Access Commission (OSAC) for the Degree Authorization program and from the Department of Education for the Private Career Schools program. It adds resources and positions for both the Degree Authorization program based on fee increases in Senate Bill 102 and for the Private Career Schools program based on fee and penalty increases included in House Bill 2185 and House Bill 2188.

The Subcommittee recommended that the Executive Branch consider whether sharing administrative resources between HECC and the newly created Oregon Education Investment Board would be more efficient. Both are small agencies with limited financial resources.

Operations

The Operations unit includes funding for the commission and staff to implement its educational responsibilities. The Subcommittee approved a budget of \$2,135,330 General Fund and 9 positions (6.96 FTE). The Subcommittee took the following actions:

- Approved Package 811 that establishes the core staff for the commission. The package includes nine positions: an executive director, three fiscal analysts, an education specialist, an accountant, an Information Systems Specialist, and two support staff. The positions are phased-in over 12 months with the executive director and three other positions scheduled to start in August. The other positions are funded for 13 to 18 months of the biennium. Also included in the package are the costs of commission meetings, \$250,000 for outside studies and other contracts, general Services and Supplies resources for the operation of the agency, and funding to purchase financial and human resource services from the Department of Administrative Services. The package includes \$2,167,699 General Fund and nine positions (6.96 FTE).
- Approved Package 813 that makes adjustments to the PERS rate resulting from the passage of Senate Bill 822 for the positions established in Package 811. The package reduces General Fund by \$32,369.

Degree Authorization/Private Career Schools

This unit includes funding and positions transferred from the Oregon Student Access Commission (OSAC) for the Degree Authorization program and from the Department of Education for the Private Career Schools program.

The Subcommittee approved a budget of \$2,442,012 total funds, including \$162,494 General Fund and 12 positions (10.00 FTE). The Subcommittee took the following actions:

- Approved Package 810 that carries forward \$150,000 of Other Funds expenditure limitation authorized for the Degree Authorization program by the Emergency Board at its September 2012 meeting. The funds were approved to begin work on developing a new information system independent from OSAC with improved functionality and performance. The Subcommittee approved the package with the direction that HECC work with the Department of Administrative Services in identifying options for the replacement project that considers coordination with the Private Career Schools program. Work on the project should follow standard industry project management practices, including completion of a business case and exploration of alternatives for the project.

- Approved Package 813 that makes adjustments to the PERS rate resulting from the passage of Senate Bill 822 for positions established for the Degree Authorization and Private Careers Schools programs. The budget reduces Other Funds by \$19,464 and Federal Funds by \$6,600.
- Approved Package 814 that transfers existing staff for the Private Career School program from the Department of Education. Transferred staff include two Education Specialist 1 positions, an Administrative Specialist 2, and two Office Specialist 2 positions. Other Funds revenues in the package reflect the current fee structure while the Federal Funds are related to the state contract for veterans related services. Expenditure authority from the Tuition Protection Fund is budgeted as Other Funds Nonlimited. The package includes \$452,228 Other Funds, \$344,364 Federal Funds, and \$200,000 Other Funds Nonlimited and establishes 5 positions (4.00 FTE).
- Approved Package 815 that completes the transfer of the Degree Authorization program from the Oregon Student Access Commission (OSAC). Authority for the program was transferred to HECC in the 2011-13 biennium but the budget remained with OSAC. Positions transferred include a Principal Executive/Manager D and a Program Analyst 2. The package includes \$117,060 General Fund, \$415,106 Other Funds, and 2 positions (2.00 FTE).
- Approved Package 816 that provides additional resources for the Private Career Schools program through additional fee revenue, increased use of ending balance resources, and a one-time General Fund appropriation to stabilize the program given a growing workload. The package is partly dependent on passage of House Bill 2185 and House Bill 2188 which are expected to generate an additional \$180,000 in revenue. Even though the program was designed to be self-supporting, the Department of Education had to use its General Fund resources in the past to sustain the program. The additional fee revenues and limited duration staff are expected to assist in reducing program backlogs. The package includes \$162,494 General Fund, \$296,908 Other Funds and three positions (2.50 FTE). Both the Compliance Specialist 2, which is funded with General Fund, and the Education Specialist 1 are approved as limited duration. The Program Analyst 2 is established as a permanent position.
- Approved Package 817 that shifts all General Fund support for the Degree Authorization program to increased fee revenues that are dependent on the passage of Senate Bill 102. The package also adds permanent positions; a full-time Program Analyst and a half-time Office Specialist. Funding is also provided to pay for Department of Administrative Services support for accounting, human resources, and other business services. The additional resources are provided to address a growing workload and backlog due largely to increasing numbers on on-line degree programs being offered in the state. The package reduces General Fund by \$117,060, increases Other Funds by \$441,981, increases Federal Funds by \$4,995, and establishes two positions (1.50 FTE); a permanent full-time Program Analyst 1 and a permanent part-time Office Specialist 1.

Summary of Performance Measure Action

Since HECC is new for budgetary purposes in the 2013-15 biennium, it does not have any Key Performance Measures (KPMs) at this time. As part of the development of the 2015-17 budget, the agency should propose KPMs. There are existing KPMs for the Office of Degree Authorization and the Private Career Schools program which should be reviewed and included in the KPMs proposed for HECC.

DETAIL OF JOINT COMMITTEE ON WAYS AND MEANS ACTION

HB 5033-A

Higher Education Coordinating Commission
 Bill McGee 503-378-2078

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE
			LIMITED	NONLIMITED	LIMITED	NONLIMITED			
2011-13 Legislatively Approved Budget at Dec 2012 *	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0	0.00
2013-15 ORBITS printed Current Service Level (CSL)*	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0	0.00
<u>SUBCOMMITTEE ADJUSTMENTS (from CSL)</u>									
SCR 001 Operations									
Package 811: Agency Operatons									
Personal Services	\$ 1,680,035	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,680,035	9	6.96
Services and Supplies	\$ 487,664	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 487,664		
Package 813: PERS Changes									
Personal Services	\$ (32,369)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ (32,369)	0	0.00
SCR 002 Degree Authorization/Private Career Schools									
Package 810: LFO Analyst Adjustment									
Services and Supplies	\$ 0	\$ 0	\$ 150,000	\$ 0	\$ 0	\$ 0	\$ 150,000		
Package 813: PERS Changes									
Personal Services	\$ 0	\$ 0	\$ (19,464)	\$ 0	\$ (6,600)	\$ 0	\$ (26,064)	0	0.00
Package 814: Career Schools Transfer									
Personal Services	\$ 0	\$ 0	\$ 396,852	\$ 0	\$ 284,960	\$ 0	\$ 681,812	5	4.00
Services and Supplies	\$ 0	\$ 0	\$ 55,376	\$ 200,000	\$ 59,404	\$ 0	\$ 314,780		
Package 815: Degree Authorization Transfer									
Personal Services	\$ 117,060	\$ 0	\$ 305,830	\$ 0	\$ 0	\$ 0	\$ 422,890	2	2.00
Services and Supplies	\$ 0	\$ 0	\$ 109,276	\$ 0	\$ 0	\$ 0	\$ 109,276		
Package 816: Enhance Career Schools									
Personal Services	\$ 143,022	\$ 0	\$ 261,004	\$ 0	\$ 0	\$ 0	\$ 404,026	3	2.50
Services and Supplies	\$ 19,472	\$ 0	\$ 35,904	\$ 0	\$ 0	\$ 0	\$ 55,376		

DETAIL OF JOINT COMMITTEE ON WAYS AND MEANS ACTION

HB 5033-A

Higher Education Coordinating Commission
 Bill McGee 503-378-2078

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE
			LIMITED	NONLIMITED	LIMITED	NONLIMITED			
Package 817: Enhance Degree Authorization									
Personal Services	\$ (117,060)	\$ 0	\$ 343,101	\$ 0	\$ 4,995	\$ 0	\$ 231,036	2	1.50
Services and Supplies	\$ 0	\$ 0	\$ 98,880	\$ 0	\$ 0	\$ 0	\$ 98,880		
TOTAL ADJUSTMENTS	\$ 2,297,824	\$ 0	\$ 1,736,759	\$ 200,000	\$ 342,759	\$ 0	\$ 4,577,342	21	16.96
SUBCOMMITTEE RECOMMENDATION *	\$ 2,297,824	\$ 0	\$ 1,736,759	\$ 200,000	\$ 342,759	\$ 0	\$ 4,577,342	21	16.96
% Change from 2011-13 Leg Approved Budget	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%		
% Change from 2013-15 Current Service Level	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%		

*Excludes Capital Construction Expenditures

2015-17 HECC University Capital Request Prioritization

Tier I																	
Project Information				Funding Type			State-Paid Debt				University-Paid Debt and Other Sources						
Tier	Rank	University	Project Name	Class	Type	Project Total	University Funding	State Funding	XI-G	XI-Q	SELP Loans	Lottery Bonds	Total State-Paid Debt	XI-Q	XI-F	Gifts/Other	Total University Funding
1	0	"SYS"	Capital Repair/Renewal Projects		DM	\$65,000,000	\$0	\$65,000,000		\$65,000,000			\$65,000,000				\$0
1	1	PSU	Neuberger Hall-DM and Renovation	E&G	Renovation/DM	\$70,000,000	\$10,000,000	\$60,000,000	\$10,000,000	\$50,000,000			\$60,000,000			\$10,000,000	\$10,000,000
1	2	OSU	Forest Science Complex	E&G	New/Renovation	\$60,000,000	\$30,000,000	\$30,000,000	\$30,000,000				\$30,000,000				\$30,000,000
1	3	UO	Klamath Hall for 21st Century Chemistry - Renovation	E&G/DM	Health & Safety Renovation	\$18,500,000	\$6,250,000	\$12,250,000	\$6,250,000	\$6,000,000			\$12,250,000			\$6,250,000	\$6,250,000
1	4	OSU	Marine Studies Campus Phase I	E&G	New	\$50,000,000	\$25,000,000	\$25,000,000	\$25,000,000				\$25,000,000				\$25,000,000
1	5	UO	College and Careers Building	E&G	New / Deferred Maintenan	\$34,000,000	\$17,000,000	\$17,000,000	\$17,000,000				\$17,000,000			\$17,000,000	\$17,000,000
1	6	OIT	Ctr for Excellence in Engineering & Technology	E&G	Expansion (LEED Silver)	\$48,000,000	\$3,750,000	\$44,250,000	\$750,000	\$43,500,000			\$44,250,000	\$3,000,000		\$750,000	\$3,750,000
1	7	UO	Chapman Hall Renovation	DM	Renovation/Seismic Upgrade	\$10,500,000	\$2,500,000	\$8,000,000	\$2,500,000	\$8,000,000			\$8,000,000			\$2,500,000	\$2,500,000
1	8	WOU	Natural Science Building (NS) Renovation	E&G	Renovation/Modernization	\$6,000,000	\$0	\$6,000,000		\$6,000,000			\$6,000,000				\$0
1	9	UO	Learning and Innovation Hub - School of A&AA/Research Inno	E&G	New	\$53,250,000	\$26,625,000	\$26,625,000	\$26,625,000				\$26,625,000			\$26,625,000	\$26,625,000
1	10	SOU	Britt Hall Renovation	E&G	Renovation/DM/ADA	\$4,788,000	\$0	\$4,788,000		\$4,788,000			\$4,788,000				\$0
1	11	EOU	Eastern Learning Commons/Hunt Hall Demolition & Site Resto	E&G	New (LEED Gold)/Demolition	\$25,169,300	\$0	\$25,169,300		\$25,169,300			\$25,169,300				\$0
1	12	WOU	Campus-wide ADA Accessibility Improvements	E&G	ADA	\$5,000,000	\$0	\$5,000,000		\$5,000,000			\$5,000,000				\$0
1	13	OSU	Accessibility/ADA Improvements	E&G	ADA/DM	\$10,000,000	\$0	\$10,000,000		\$10,000,000			\$10,000,000				\$0
1	14	SOU	Cogeneration - Biomass	E&G	New/Demolition	\$12,199,291	\$0	\$12,199,291		\$12,199,291			\$12,199,291				\$0
Tier I Total						\$472,406,591	\$121,125,000	\$351,281,591	\$118,125,000	\$233,156,591	\$0	\$0	\$351,281,591	\$0	\$3,000,000	\$118,125,000	\$121,125,000
Tier II																	
Project Information				Funding Type			State-Paid Debt				University-Paid Debt and Other Sources						
Tier	Rank	University	Project Name	Class	Type	Project Total	University Funding	State Funding	XI-G	XI-Q	SELP Loans	Lottery Bonds	Total State-Paid Debt	XI-Q	XI-F	Gifts/Other	Total University Funding
2		EOU	Mill Creek Restoration & Flood Mitigation	E&G	Renovation/DM	\$5,605,100	\$3,923,600	\$1,681,500	\$1,681,500				\$1,681,500			\$3,923,600	\$3,923,600
2		OIT	New Student Center Building	E&G	New (LEED Silver)	\$15,436,977	\$0	\$15,436,977		\$15,436,977			\$15,436,977				\$0
2		OIT	Architectural Barrier Removal & ADA Compliance	E&G	ADA	\$3,500,000	\$0	\$3,500,000		\$3,500,000			\$3,500,000				\$0
2		OSU	Cascades Academic Building II	E&G	New/Renovation	\$40,000,000	\$10,000,000	\$30,000,000		\$30,000,000			\$30,000,000			\$10,000,000	\$10,000,000
2		OSU	Magruder Hall	E&G	New/Renovation/DM	\$15,000,000	\$7,500,000	\$7,500,000	\$7,500,000				\$7,500,000			\$7,500,000	\$7,500,000
2		PSU	Graduate School of Education Renovation and Expansion	E&G	Renovation/Expansion	\$32,000,000	\$14,700,000	\$17,300,000	\$14,700,000	\$2,600,000			\$17,300,000			\$14,700,000	\$14,700,000
2		SOU	Susanne Holmes Hall	E&G	Renovation/Modernization/	\$8,070,000	\$0	\$8,070,000		\$8,070,000			\$8,070,000				\$0
2		UO	Regional Library Collections Ctr & Knight Library Acad Commo	E&G/DM	New/Renovation	\$33,750,000	\$16,875,000	\$16,875,000	\$16,875,000				\$16,875,000			\$16,875,000	\$16,875,000
2		WOU	Instructional Technology Center (ITC) Remodel	E&G	Remodel	\$4,000,000	\$0	\$4,000,000		\$4,000,000			\$4,000,000				\$0
Tier II Total						\$157,362,077	\$52,998,600	\$104,363,477	\$40,756,500	\$63,606,977	\$0	\$0	\$104,363,477	\$0	\$0	\$52,998,600	\$52,998,600
Tier III																	
Project Information				Funding Type			State-Paid Debt				University-Paid Debt and Other Sources						
Tier	Rank	University	Project Name	Class	Type	Project Total	University Funding	State Funding	XI-G	XI-Q	SELP Loans	Lottery Bonds	Total State-Paid Debt	XI-Q	XI-F	Gifts/Other	Total University Funding
3		EOU	Track & Field Facilities Renovation	E&G	Renovation/DM	\$1,627,700	\$0	\$1,627,700		\$1,627,700			\$1,627,700				\$0
3		EOU	Community Stadium Improvements	E&G/Aux	New/Restoration/DM	\$1,316,200	\$0	\$1,316,200		\$1,316,200			\$1,316,200				\$0
3		OIT	Boivin Hall Modernization	E&G	Renovation (LEED Silver)	\$7,419,482	\$0	\$7,419,482		\$7,419,482			\$7,419,482				\$0
3		OSU	Fairbanks Hall Renovation	E&G	Renovation/DM	\$10,000,000	\$0	\$10,000,000		\$10,000,000			\$10,000,000				\$0
3		OSU	College of Engineering I	E&G	New	\$78,000,000	\$39,000,000	\$39,000,000	\$39,000,000				\$39,000,000			\$39,000,000	\$39,000,000
3		OSU	IT Systems Infrastructure Phase II	E&G	Infrastructure/DM	\$5,000,000	\$0	\$5,000,000		\$5,000,000			\$5,000,000				\$0
3		PSU	Broadway Housing Purchase	E&G/Aux	Acquisition	\$53,000,000	\$47,700,000	\$5,300,000		\$5,300,000			\$5,300,000		\$47,700,000		\$47,700,000
3		UO	Research Lab Building	E&G	New	\$80,750,000	\$45,375,000	\$45,375,000	\$45,375,000				\$45,375,000			\$45,375,000	\$45,375,000
3		WOU	New Physical Education Building (NPE) Remodel	E&G/Aux	New/Renovation	\$5,500,000	\$0	\$5,500,000		\$5,500,000			\$5,500,000				\$0
Tier III Total						\$252,613,382	\$132,075,000	\$120,538,382	\$84,375,000	\$36,163,382	\$0	\$0	\$120,538,382	\$0	\$47,700,000	\$84,375,000	\$132,075,000
2013-15 Reauthorization																	
Project Information				Funding Type			State-Paid Debt				University-Paid Debt and Other Sources						
Tier	Rank	University	Project Name	Class	Type	Project Total	University Funding	State Funding	XI-G	XI-Q	SELP Loans	Lottery Bonds	Total State-Paid Debt	XI-Q	XI-F	Gifts/Other	Total University Funding
		OSU	Modular Data Center Project	E&G		\$7,000,000	\$7,000,000	\$0					\$0	\$7,000,000			\$7,000,000
		PSU	University Center Land Purchase	E&G/Aux	Acquisition	\$7,900,000	\$7,900,000	\$0					\$0		\$7,900,000		\$7,900,000
2013-15 Reauthorization Total						\$14,900,000	\$14,900,000	\$0	\$0	\$0	\$0	\$0	\$0	\$7,000,000	\$7,900,000	\$0	\$14,900,000
2015-17 University Capital Request Totals																	
Project Information				Funding Type			State-Paid Debt				University-Paid Debt and Other Sources						
Tier	Rank	University	Project Name	Class	Type	Project Total	University Funding	State Funding	XI-G	XI-Q	SELP Loans	Lottery Bonds	Total State-Paid Debt	XI-Q	XI-F	Gifts/Other	Total University Funding
2015-17 University Capital Request Total						\$897,282,050	\$321,098,600	\$576,183,450	\$243,256,500	\$332,926,950	\$0	\$0	\$576,183,450	\$7,000,000	\$58,600,000	\$255,498,600	\$321,098,600

77th OREGON LEGISLATIVE ASSEMBLY – 2013 Regular Session
BUDGET REPORT AND MEASURE SUMMARY

MEASURE: HB 5008-A

Carrier – House: Rep. Buckley

Carrier – Senate: Sen. Devlin

JOINT COMMITTEE ON WAYS AND MEANS

Action: Do Pass as Amended and as Printed A-Engrossed

Vote: 22 – 2 – 2

House

Yeas: Barker, Buckley, Frederick, Huffman, Jenson, Komp, Nathanson, Read, Smith, Tomei, Williamson

Nays: Freeman, Hanna

Exc: McLane, Richardson

Senate

Yeas: Bates, Devlin, Edwards, Girod, Hansell, Johnson, Monroe, Steiner Hayward, Thomsen, Whitsett, Winters

Nays:

Exc:

Prepared By: Linda Ames, Legislative Fiscal Office

Reviewed By: Daron Hill, Legislative Fiscal Office

Meeting Date: July 8, 2013

Agency

Emergency Board

Various Agencies

Biennium

2013-15

2011-13

2013-15 Budget Summary*

	2011-13 Legislatively Approved Budget	2013-15 Legislatively Adopted Budget	2013-15 Committee Recommendation	Committee Change
<u>Emergency Board</u>				
General Fund - General Purpose	-	-	\$ 30,000,000	\$ 30,000,000
General Fund - Special Purpose Appropriations				
State employee compensation changes	-	-	\$ 86,500,000	\$ 86,500,000
Home health care worker compensation	-	-	\$ 12,900,000	\$ 12,900,000
Oregon State Library	-	-	\$ 1,702,192	\$ 1,702,192
Department of Education - student assessments	-	-	\$ 4,600,000	\$ 4,600,000
Department of Education - youth development	-	-	\$ 1,789,557	\$ 1,789,557
Department of Housing and Community Development - Oregon Hunger Response Fund	-	-	\$ 225,000	\$ 225,000
Oregon Health Authority - A&D rate increases	-	-	\$ 3,300,000	\$ 3,300,000
Oregon Health Authority - Dental Pilots	-	-	\$ 100,000	\$ 100,000
<u>Various Agencies - Omnibus Adjustments</u>				
General Fund	-	-	\$ (190,669,103)	\$ (190,669,103)
General Fund Debt Service	-	-	\$ (761,790)	\$ (761,790)
Lottery Funds	-	-	\$ (1,719,018)	\$ (1,719,018)
Lottery Funds Debt Service	-	-	\$ (1,307,446)	\$ (1,307,446)
Other Funds	-	-	\$ (5,660,297)	\$ (5,660,297)
Federal Funds	-	-	\$ (1,629,523)	\$ (1,629,523)
<u>ADMINISTRATION PROGRAM AREA</u>				
<u>Department of Administrative Services</u>				
General Fund	-	-	\$ 1,150,000	\$ 1,150,000
Lottery Funds	-	-	\$ 21,380	\$ 21,380
Other Funds	-	-	\$ 54,596,958	\$ 54,596,958

*Excludes Capital Construction

2013-15 Budget Summary*

	2011-13 Legislatively Approved Budget	2013-15 Legislatively Adopted Budget	2013-15 Committee Recommendation	Committee Change
<u>Office of the Governor</u>				
General Fund	-	-	\$ 9,174	\$ 9,174
Lottery Funds	-	-	\$ 900,000	\$ 900,000
<u>Department of Revenue</u>				
General Fund	-	-	\$ 3,196,495	\$ 3,196,495
General Fund Debt Service	-	-	\$ 1,554,716	\$ 1,554,716
Other Funds	-	-	\$ 26,903,021	\$ 26,903,021
<u>Secretary of State</u>				
General Fund	-	-	\$ 9,174	\$ 9,174
<u>Treasurer of State</u>				
Other Funds	-	-	\$ 9,174	\$ 9,174
<u>CONSUMER AND BUSINESS SERVICES PROGRAM AREA</u>				
<u>Bureau of Labor and Industries</u>				
General Fund	-	-	\$ 6,881	\$ 6,881
Other Funds	-	-	\$ 2,293	\$ 2,293
<u>ECONOMIC AND COMMUNITY DEVELOPMENT PROGRAM AREA</u>				
<u>Oregon Business Development Department</u>				
General Fund Debt Service	-	-	\$ 280,954	\$ 280,954
Lottery Funds	-	-	\$ 1,374,525	\$ 1,374,525
Other Funds	-	-	\$ 29,752,779	\$ 29,752,779
Other Funds Non-limited	-	-	\$ 12,000,000	\$ 12,000,000
<u>Housing and Community Services Department</u>				
General Fund	-	-	\$ 225,000	\$ 225,000
Other Funds	-	-	\$ 5,076,190	\$ 5,076,190

*Excludes Capital Construction

2013-15 Budget Summary*

	2011-13 Legislatively Approved Budget	2013-15 Legislatively Adopted Budget	2013-15 Committee Recommendation	Committee Change
<u>Department of Veterans' Affairs</u>				
General Fund Debt Service	-	-	\$ 852,814	\$ 852,814
Other Funds	-	-	\$ 65,000	\$ 65,000
<u>EDUCATION PROGRAM AREA</u>				
<u>Department of Education</u>				
General Fund	-	-	\$ (8,826,545)	\$ (8,826,545)
Lottery Funds	-	-	\$ 12,826,545	\$ 12,826,545
Other Funds	-	-	\$ 12,000,000	\$ 12,000,000
Federal Funds	-	-	\$ 1,000,000	\$ 1,000,000
<u>Department of Community Colleges and Workforce Development</u>				
Other Funds	-	-	\$ (307,051)	\$ (307,051)
Other Funds Debt Service	-	-	\$ 307,051	\$ 307,051
<u>Oregon Health and Science University</u>				
General Fund	-	-	\$ 1,000,000	\$ 1,000,000
<u>Higher Education Coordinating Commission</u>				
General Fund	-	-	\$ 859,630	\$ 859,630
<u>Oregon University System</u>				
General Fund	-	-	\$ 15,674,000	\$ 15,674,000
<u>HUMAN SERVICES PROGRAM AREA</u>				
<u>Oregon Health Authority</u>				
General Fund	-	-	\$ (1,940,000)	\$ (1,940,000)
Other Funds	-	-	\$ (3,160,291,391)	\$ (3,160,291,391)
Other Funds Nonlimited	-	-	\$ 3,160,291,391	\$ 3,160,291,391

*Excludes Capital Construction

2013-15 Budget Summary*

	2011-13 Legislatively Approved Budget	2013-15 Legislatively Adopted Budget	2013-15 Committee Recommendation	Committee Change
<u>Department of Human Services</u>				
General Fund	-	-	\$ 5,000,000	\$ 5,000,000
Other Funds	-	-	\$ 1,000,000	\$ 1,000,000
Federal Funds	-	-	\$ 9,700,000	\$ 9,700,000
<u>Long Term Care Ombudsman</u>				
General Fund	-	-	\$ 785,488	\$ 785,488
 <u>JUDICIAL BRANCH</u>				
<u>Judicial Department</u>				
General Fund	-	-	\$ 634,980	\$ 634,980
Other Funds	-	-	\$ 335,001	\$ 335,001
<u>Public Defense Services Commission</u>				
General Fund	-	-	\$ 2,409,367	\$ 2,409,367
 <u>LEGISLATIVE BRANCH</u>				
<u>Legislative Administration Committee</u>				
General Fund Debt Service	-	-	\$ 1,421,341	\$ 1,421,341
Other Funds	-	-	\$ 615,000	\$ 615,000
 <u>NATURAL RESOURCES PROGRAM AREA</u>				
<u>State Department of Agriculture</u>				
General Fund	-	-	\$ 34,060	\$ 34,060
Lottery Funds	-	-	\$ (21,380)	\$ (21,380)
<u>Columbia River Gorge Commission</u>				
General Fund	-	-	\$ (79,873)	\$ (79,873)
<u>Department of Land Conservation and Development</u>				
General Fund	-	-	\$ 196,000	\$ 196,000

*Excludes Capital Construction

2013-15 Budget Summary*

	2011-13 Legislatively Approved Budget	2013-15 Legislatively Adopted Budget	2013-15 Committee Recommendation	Committee Change
<u>Department of Environmental Quality</u>				
Other Funds Debt Service	-	-	\$ (17,140,278)	\$ (17,140,278)
<u>State Department of Energy</u>				
Other Funds	-	-	\$ 9,876,190	\$ 9,876,190
<u>State Department of Fish and Wildlife</u>				
General Fund	-	-	\$ 115,940	\$ 115,940
<u>State Forestry Department</u>				
Other Funds	-	-	\$ 120,000	\$ 120,000
Federal Funds	-	-	\$ 3,000,000	\$ 3,000,000
<u>Parks and Recreation Department</u>				
Other Funds	-	-	\$ 5,069,882	\$ 5,069,882
<u>Department of State Lands</u>				
Other Funds	-	-	\$ 307,360	\$ 307,360
Federal Funds	-	-	\$ 135,000	\$ 135,000
<u>Water Resources Department</u>				
Other Funds	-	-	\$ 10,242,513	\$ 10,242,513
<u>PUBLIC SAFETY PROGRAM AREA</u>				
<u>Department of Corrections</u>				
General Fund	-	-	\$ 2,340,830	\$ 2,340,830
<u>Oregon Criminal Justice Commission</u>				
General Fund	-	-	\$ 10,190,000	\$ 10,190,000
<u>Department of Justice</u>				
General Fund	-	-	\$ 3,683,276	\$ 3,683,276
General Fund Debt Service	-	-	\$ 1,601,856	\$ 1,601,856
Other Funds	-	-	\$ 14,377,862	\$ 14,377,862
Federal Funds	-	-	\$ 27,447,707	\$ 27,447,707

*Excludes Capital Construction

2013-15 Budget Summary*

	<u>2011-13 Legislatively Approved Budget</u>	<u>2013-15 Legislatively Adopted Budget</u>	<u>2013-15 Committee Recommendation</u>	<u>Committee Change</u>
<u>Oregon Military Department</u>				
General Fund	-	-	\$ 290,000	\$ 290,000
General Fund Debt Service	-	-	\$ 314,523	\$ 314,523
Other Funds	-	-	\$ 237,345	\$ 237,345
<u>Oregon State Police</u>				
General Fund	-	-	\$ 3,387,000	\$ 3,387,000
<u>Department of Public Safety Standards and Training</u>				
Other Funds	-	-	\$ 1,000,000	\$ 1,000,000
<u>Oregon Youth Authority</u>				
General Fund	-	-	\$ 126,673	\$ 126,673
Other Funds Debt Service	-	-	\$ 384,877	\$ 384,877
 <u>TRANSPORTATION PROGRAM AREA</u>				
<u>Department of Transportation</u>				
General Fund Debt Service	-	-	\$ (757,944)	\$ (757,944)
Other Funds	-	-	\$ 56,885,788	\$ 56,885,788
<hr/>				
2013-15 Budget Summary				
General Fund Total	-	-	\$ (4,568,334)	\$ (4,568,334)
Lottery Funds Total	-	-	\$ 12,074,606	\$ 12,074,606
Other Funds Total	-	-	\$ 218,056,658	\$ 218,056,658
Federal Funds Total	-	-	\$ 39,653,184	\$ 39,653,184

*Excludes Capital Construction

2011-13 Supplemental Appropriations

	<u>2011-13 Legislatively Approved Budget</u>	<u>2011-13 Committee Recommendation</u>	<u>Committee Change</u>
<u>Emergency Board</u>			
General Fund	-	\$ (50,447,306)	\$ (50,447,306)
<u>Oregon University System</u>			
Other Funds	-	\$ (2,329,480,585)	\$ (2,329,480,585)
Other Funds Non-limited	-	\$ (2,236,635,139)	\$ (2,236,635,139)
<u>Military Department</u>			
General Fund	-	\$ (460,000)	\$ (460,000)
General Fund Debt Service	-	\$ (26,748)	\$ (26,748)
<u>Oregon Youth Authority</u>			
General Fund	-	\$ 200,000	\$ 200,000

2013-15 Position Summary

	<u>2011-13 Legislatively Approved Budget</u>	<u>2013-15 Legislatively Adopted Budget</u>	<u>2013-15 Committee Recommendation</u>	<u>Committee Change</u>
<u>Office of the Governor</u>				
Authorized Positions	-	-	3	3
Full-time Equivalent (FTE) positions	-	-	3.00	3.00
<u>Department of Revenue</u>				
Authorized Positions	-	-	31	31
Full-time Equivalent (FTE) positions	-	-	31.00	31.00
<u>Oregon Business Development Department</u>				
Authorized Positions	-	-	3	3
Full-time Equivalent (FTE) positions	-	-	3.00	3.00
<u>Department of Education</u>				
Authorized Positions	-	-	3	3
Full-time Equivalent (FTE) positions	-	-	3.38	3.38
<u>Higher Education Coordinating Commission</u>				
Authorized Positions	-	-	6	6
Full-time Equivalent (FTE) positions	-	-	3.69	3.69
<u>Long Term Care Ombudsman</u>				
Authorized Positions	-	-	8	8
Full-time Equivalent (FTE) positions	-	-	3.81	3.81
<u>Department of Corrections</u>				
Authorized Positions	-	-	-197	-197
Full-time Equivalent (FTE) positions	-	-	-65.31	-65.31
<u>Criminal Justice Commission</u>				
Authorized Positions	-	-	1	1
Full-time Equivalent (FTE) positions	-	-	0.88	0.88

2013-15 Position Summary

	<u>2011-13 Legislatively Approved Budget</u>	<u>2013-15 Legislatively Adopted Budget</u>	<u>2013-15 Committee Recommendation</u>	<u>Committee Change</u>
<u>Oregon State Police</u>				
Authorized Positions	-	-	15	15
Full-time Equivalent (FTE) positions	-	-	4.38	4.38
<u>Department of Public Safety Standards and Training</u>				
Authorized Positions	-	-	4	4
Full-time Equivalent (FTE) positions	-	-	3.52	3.52
<u>Department of Transportation</u>				
Authorized Positions	-	-	2	2
Full-time Equivalent (FTE) positions	-	-	2.00	2.00

Summary of Revenue Changes

The General Fund appropriations made in the bill are within resources available as projected in the May 2013 economic and revenue forecast by the Department of Administrative Services Office of Economic Analysis, supplemented by transfers from various agency accounts to the General Fund for general governmental purposes as authorized in House Bill 2322, plus other actions to reduce state agency expenditures.

Summary of Capital Construction Subcommittee Action

House Bill 5008 appropriates General Fund to the Emergency Board for general purpose and targeted special purpose appropriations, and makes other adjustments to individual agency budget and position authority as described below.

Emergency Board

The Emergency Board allocates General Fund and provides Lottery Funds, Other Funds, and Federal Funds expenditure limitation to state agencies for unanticipated needs in approved agency budgets when the Legislature is not in session. The Subcommittee appropriated \$30 million General Fund to the Emergency Board for general purposes.

House Bill 5008 makes eight special purpose appropriations to the Emergency Board, totaling \$111.1 million General Fund:

- \$86.5 million General Fund for allocation to state agencies for state employee compensation changes.
- \$12.9 million General Fund for allocation to state agencies for compensation changes for home health care workers who are not state employees.
- \$1,702,192 General Fund for second year operational costs for the Oregon State Library. The 2013-15 budget for the State Library provides for only one year of budget authority for the agency (see House Bill 5022). The release of this appropriation, by either the Legislature or the Emergency Board, is contingent on a successful reorganization plan being submitted and approved by the Legislature in 2014.
- \$4.6 million for the Department of Education for costs over and above the amount included in the Department's budget bill (Senate Bill 5518) relating to assessments and other resources aligned to common core standards including those assessments required under the federal Elementary and Secondary Education Act (ESEA). The Department of Education must report on what assessments it plans to implement and on the most current estimates of the costs for each component of the assessment when making the request for this special purpose appropriation.
- \$1,789,557 General Fund for the Department of Education's Youth Development Division. This amount represents program funding for the second year of the biennium for youth development grants, performance-based contracts, and services provided at the local level. Prior to requesting this special purpose appropriation, the Youth Development Council will report back to the Joint Committee on Ways and Means during the 2014 Legislative Session with a plan for investing and distributing these funds. The plan must take into account (1) the furtherance of the policy directives and youth academic and developmental outcomes outlined in House Bill 3231; (2) Oregon's

40/40/20 educational goals; and (3) the Oregon Education Investment Board's Strategic Plan. In developing this plan, the Youth Development Council shall consult with representatives of youth, parents, schools, service providers, labor, business, local governments, tribal governments, and communities.

- \$225,000 General Fund one-time funding for the Oregon Hunger Response Fund, for allocation to the Housing and Community Services Department after receipt of the agency's report on alternate, sustainable service delivery models, pursuant to a budget note.
- \$3.3 million General Fund for the Oregon Health Authority for adult residential room and board rate increases within the alcohol and drug system, after receipt of the agency's study on both the youth and adult system, during the 2014 legislative session. Based on the findings of that study, some or all of this funding could be allocated at that time.
- \$100,000 General Fund for the Oregon Health Authority for staffing needs related to the Dental Pilot Projects. These projects were established in Senate Bill 738 (2011), but no funding was provided. While the funding for the pilots is expected to come from foundations and private funders, the agency needs staff to manage the program.

If these special purpose appropriations are not allocated by the Emergency Board before December 1, 2014, any remaining funds become available to the Emergency Board for general purposes.

Adjustments to Approved 2013-15 Budgets

OMNIBUS ADJUSTMENTS

Omnibus adjustments reflect budget changes in multiple agencies based on reductions in Department of Administrative Services' assessments and charges for services, a reduction to the Attorney General rates, an increase resulting from a new Secretary of State Archives assessment, and debt service adjustments. Also included is a 5% reduction to services and supplies (excluding the fixed costs of State Government Service Charges, Attorney General charges, rent, and fuel and utilities) that is applied to General Fund and certain Lottery Funds only. Total savings are \$36.5 million General Fund, \$1.7 million Lottery Funds, \$5.7 million Other Funds, and \$1.6 million Federal Funds.

Omnibus adjustments also include a 2% supplemental ending balance holdback that is applied primarily to General Fund, and excludes debt service as well as selected programs. This reduction may be restored during the 2014 legislative session depending on statewide economic conditions. Agency detail for this adjustment is shown in Attachment A. Total budget reductions include \$154.9 million General Fund and \$1.4 million Lottery Funds.

Another statewide adjustment, which is included in agency budget bills and not in House Bill 5008, affects most state agencies. Package 091 (Statewide Administrative Savings) is a placeholder for administrative efficiencies and associated budget reductions in finance, information technology, human resources, accounting, payroll, and procurement expenditures. The Subcommittee affirmed that the reductions, at \$62.0 million total funds, are permanent and ongoing as they reflect fundamental changes in business processes. The Department of Administrative Services (DAS) will continue to work on details of these reductions with agencies and report to the Joint Committee on Ways and Means during the 2014 session. Agencies should direct concerns regarding permanency or implementation of the reductions to DAS. The Department will include a plan for resolving any issues related to these reductions as part of its 2014 report.

ADMINISTRATION

Oregon Department of Administrative Services

House Bill 5008 includes one-time General Fund appropriations to the Department of Administrative Services (DAS) for the following purposes:

- \$500,000 to the East Valley Water District to support completion of an environmental impact study on a proposed water storage project.
- \$250,000 to the Historic Public Market Foundation to assist with development of the James Beard Public Market in Portland.
- \$400,000 for distribution to 211info, which is a statewide, nonprofit information and referral service for community and social services. The state currently supports about one-third of the organization's operating budget, primarily through contracts with individual state agency programs for specific services. 211info also receives funding from local governments, other nonprofits, grants, and foundations. This direct General Fund appropriation is intended to help 211info maintain statewide program access over the 2013-15 biennium. An additional request to support around-the-clock operations was not funded; right now 211info operates Monday through Friday from 8 am to 6 pm. To gain a better understanding of how state agencies can most effectively use 211info and to provide the legislature information to help evaluate potential future funding requests, the Subcommittee adopted a budget note:

Budget Note:

The Department of Administrative Services shall work with other state agencies to identify all information and referral services for state government, with a primary focus on help lines (for example, 1-800 numbers). The Department will submit a report to the Joint Committee on Ways and Means during the 2014 legislative session summarizing the purpose, scope, and cost of each service. For each state agency currently using 2-1-1 the report shall also provide information on the service(s) being provided, including but not limited to, contract provisions, utilization, benefits, costs, and budget. Finally, the report shall include an analysis of potential cost savings or efficiencies that might be achieved by broader use of 2-1-1.

The Subcommittee added \$27,100,007 Other Funds expenditure limitation for one-time cost of issuance and special payments associated with the disbursement of proceeds from several Lottery Bond sales; projects are detailed below and approved in the Lottery Bond bill (Senate Bill 5533). There is no debt service in the 2013-15 biennium as the bonds will not be sold until the spring of 2015. Debt service in 2015-17 is calculated at a total of \$4,882,645 Lottery Funds: \$2,193,283 for the Lane Transit project; \$1,835,741 for the Portland Convention Center hotel project; \$637,464 for the Confederated Tribes of Umatilla; and \$216,157 for the North Central Education Service District project.

- \$10,239,248 Other Funds for disbursement to Metro for the purpose of assisting with the development of a hotel near the Portland Convention Center.
- \$3,562,986 Other Funds for disbursement to the Confederated Tribes of Umatilla for construction a 1.5 mile road extension from the Port of Umatilla into the Confederated Tribes of Umatilla, which will open additional industrial land for development.
- \$1,042,755 Other Funds for disbursement to North Central Education Service District for partial funding of digital switch technology acquisition that would serve the educational and public safety needs of Wheeler, Gilliam, and Sherman Counties.
- \$12,255,018 Other Funds for disbursement to the Lane Transit District for the West Eugene EmX extension project.

House Bill 5008 includes Other Funds expenditure limitations for the following purposes:

- \$400,000 one-time Other Funds increase to support a DAS contract with the Province of British Columbia on behalf of Multnomah County. The county wants to contract with Partnerships BC, which is a government-owned infrastructure development company, to develop a business case for a new Multnomah County Courthouse. Oregon counties are prohibited from contracting with foreign governments, but the state is allowed. This contract will be issued outside the normal, competitive procurement process because under ORS 190 DAS may enter into intergovernmental agreements with foreign governments and bypass this process. Multnomah County will pay for the planning work through DAS to Partnerships BC.
- \$2,955,118 Other Funds increase to the Enterprise Asset Services budget unit to correct a mistake when too much services and supplies expenditure limitation was inadvertently removed from the program in House Bill 5002, the budget bill for the Department of Administrative Services.
- \$24,141,833 one-time increase to the Shared Services Fund to accommodate first year payments from the Fund to counties. In 2007 the Legislature established a new program, the Shared Services Fund, to provide state support to local taxing districts affected by participation in the Strategic Investment Program. Local taxing districts are now eligible to receive payments from the state that are calculated to equal 50% of the personal income tax revenue attributable to the earnings of persons employed as result of a SIP property tax exemption. These payments would otherwise have gone to the state General Fund.

The Subcommittee increased Lottery Funds by \$21,380 to reflect additional Lottery Funds for County Fairs support. The funding is available due to the termination of the County Fair Commission, for which the Department of Agriculture had received Lottery Funds for minimal administrative support of Commission operations.

The Subcommittee also added the following budget note on how to best meet the information technology needs of small state agencies:

Budget Note:

The Department of Administrative Services is directed to report back to the February 2014 Legislative Session with a plan to address the specific needs of smaller (<300 FTE) agencies with regard to Information Technology and Telecommunications Management. The Department shall also report on resources that will be necessary to implement such a plan and how those resources would be funded.

Office of the Governor

A \$900,000 Lottery Funds limitation and three limited duration Principal Executive/Manager F positions (3.00 FTE) are added to the Office of the Governor. These positions will focus on streamlining the permitting process for significant projects across all levels of government; federal, state, county and city.

The Subcommittee approved budget adjustments for an increase in the statutorily set salary for statewide elected officials as provided for in House Bill 2322. The statewide elected officials include the Governor, Secretary of State, State Treasurer, Attorney General, and the Commissioner of Labor and Industries. Each is to receive a salary increase of \$5,000 per year, beginning on January 1, 2014. The impact on the Office of the Governor is an increase of \$9,174 General Fund, including other payroll expenses. Statewide elected officials last received a salary

increase in July of 2009. Statutory Judgeships are also to receive a salary increase (see Judicial Branch program area narrative). The compensation for members of the Legislative Assembly remains unchanged.

The following budget note was approved:

Budget Note:

The Joint Committee on Ways and Means approved a budget with House Bill 5028, the budget bill for the Oregon Business Development Department, that concerned the Regional Solutions program. That budget note is repealed, and the following, also concerning the Regional Solutions program, is adopted.

The Transportation and Economic Development Subcommittee approved a \$1 Other Funds expenditure limitation for the Oregon Business Development Department for Regional Solutions. Prior to legislative approval of any increase in the expenditure limitation for this program, the Office of the Governor shall report to the Interim Joint Committee on Ways and Means with a request to introduce a bill, for consideration during the 2014 Session of the Legislative Assembly, to establish the Regional Solutions program. In addition to any other provisions in this report that the Governor may include, the report shall include requested provisions to: provide for the establishment of Regional Solutions Centers; identify the membership, governance and duties of the Centers; establish criteria on the use of funds allocated to the program; define the process for the development and approval of funding proposals; establish authority for the Oregon Business Development Department to distribute moneys to projects funded under the program and to provide effective oversight of the uses of the moneys so distributed; and delineate the activities and responsibilities of the Oregon Business Development Department for administering the program. The Office of the Governor shall submit this report to the Interim Joint Committee on Ways and Means no later than during the Legislative Days in November 2013.

Department of Revenue

The Subcommittee approved funding for the implementation of the replacement of the agency's core information technology applications (Core System Replacement project). The estimated one-time cost of implementation totals \$70.9 million and is scheduled to be fully completed by the 2017-19 biennia. Overall, the project will be funded with \$12.5 million of General Fund and \$58.4 million of Article Q-bonds. General Fund will provide for Debt Service repayment. Ongoing costs are roughly estimated at 2-3 times the initial one-time costs.

For the 2013-15 biennium, the Subcommittee approved \$26.5 million of Other Funds expenditure limitation for development costs, which will be financed with Article XI-Q bonds approved in House Bill 5506. Personal Services are increased by \$6.0 million Other Funds (31 positions/31.00 FTE), \$18.8 million Other Funds for Services and Supplies, and \$1.7 million for Capital Outlay. Major costs include: \$11.3 million for vendor contract payments; \$1 million for vendor contracted maintenance; \$1.5 million for an independent quality assurance/control vendor; and \$3 million in vendor contract contingency costs.

Unless otherwise approved by the Legislature or the Emergency Board, the positions budgeted for the Core System Replacement project are established as permanent full-time positions under the following conditions: (a) the positions will be abolished on or before the completion of the project; (b) the positions are to remain in the Core System Replacement program (i.e., CSR summary cross reference) and may not be transferred to any other program or used for any other purpose other than the development to the Core System Replacement project; and (c) the positions may not to be included in any permanent finance plan action.

The Subcommittee appropriated \$3.6 million General Fund for the agency's payments to the Department of Administrative Services for State Data Center charges and for vendor contract maintenance costs to support the ongoing maintenance of the vendor product after installation.

The Subcommittee appropriated \$1.6 million in General Fund Debt Service to support repayment of Article XI-Q General Obligation bond proceeds approved in SB 5506. General Fund Debt Service for the 2015-17 biennium will total \$10.1 million. Other Funds expenditure limitation of \$521,182 is included for the cost of issuance of the bonds.

The Department of Administrative Services is requested to unschedule \$13 million of Other Funds expenditure limitation related to the May 2014 Article XI-Q bond sale pending a Department of Revenue report to the Legislature in 2014 on the status of the project.

The Subcommittee adopted the following budget note:

Budget Note:

The Department of Revenue (DOR) is directed to work with the Department of Administrative Services (DAS) in the development and implementation of the Core Systems Replacement Project. DAS is to provide DOR with the oversight of the project, including support for project management, information technology systems development lifecycle, procurement, quality assurance, and other needs to successfully complete this project.

DOR is to submit updated key foundational project management documentation, each accompanied by an independent quality control review, to Legislative Fiscal Office (LFO) on or before February 1, 2014, as available for review.

DOR and DAS are directed to report to LFO every six months through the biennium on the status of the project using DOR's standard project management reports as well as provide copies of all Quality Assurance and Quality Control and Independent Verification and Validation reports upon their receipt by the agency.

The Subcommittee disappropriated \$440,937 General Fund and reduced Other Funds expenditure limitation by \$146,979 from the Administration program due to the passage of Senate Bill 184, which allows for agencies to send notification by first class mail, or in some cases by an alternative method such as e-mail, in lieu of certified mail. The reduction is the difference in cost between certified mail and first class postage that is estimated to be realized by the agency.

Secretary of State

The Subcommittee approved budget adjustments for an increase in the statutorily set salary for statewide elected officials as provided for in House Bill 2322. The statewide elected officials include the Governor, Secretary of State, State Treasurer, Attorney General, and the Commissioner of Labor and Industries. Each is to receive a salary increase of \$5,000 per year, beginning on January 1, 2014. The impact on the Secretary of State is an increase of \$9,174 General Fund, including other payroll expenses. Statewide elected officials last received a salary increase in July of 2009. Statutory Judgeships are also to receive a salary increase (see Judicial Branch program area narrative). The compensation for members of the Legislative Assembly remains unchanged.

Treasurer of State

The Subcommittee approved budget adjustments for an increase in the statutorily set salary for statewide elected officials as provided for in House Bill 2322. The statewide elected officials include the Governor, Secretary of State, State Treasurer, Attorney General, and the Commissioner of Labor and Industries. Each is to receive a salary increase of \$5,000 per year, beginning on January 1, 2014. The impact on the Treasurer is an increase of \$9,174 Other Funds expenditure limitation, including other payroll expenses. Statewide elected officials last received a salary increase in July of 2009. Statutory Judgeships are also to receive a salary increase (see Judicial Branch program area narrative). The compensation for members of the Legislative Assembly remains unchanged.

CONSUMER AND BUSINESS SERVICES

Bureau of Labor and Industries

The Subcommittee approved budget adjustments for an increase in the statutorily set salary for statewide elected officials as provided for in House Bill 2322. The statewide elected officials include the Governor, Secretary of State, State Treasurer, Attorney General, and the Commissioner of Labor and Industries. Each is to receive a salary increase of \$5,000 per year, beginning on January 1, 2014. The impact on the Bureau of Labor and Industries is an increase of \$6,881 General Fund and \$2,293 Other Funds expenditure limitation, including other payroll expenses. Statewide elected officials last received a salary increase in July of 2009. Statutory Judgeships are also to receive a salary increase (see Judicial Branch program area narrative). The compensation for members of the Legislative Assembly remains unchanged.

ECONOMIC AND COMMUNITY DEVELOPMENT

Oregon Business Development Department

The Subcommittee increased the General Fund appropriation by \$280,954, to fully-fund 2013-15 biennium debt service costs for Article XI-Q general obligation bonds issued to finance Innovation Infrastructure projects. Debt service costs are higher than originally projected, because the bonds are not eligible to be issued on a tax-exempt basis. This increase will provide a total of \$694,286 General Fund to pay 2013-15 biennium debt service costs on the \$5,000,000 project. Debt service costs will increase to \$1.4 million in the 2015-17 biennium.

The Subcommittee established two new Lottery Funds expenditure limitations, and approved the establishment of three full-time, limited-duration positions (3.00 FTE). The first Lottery Funds expenditure limitation of \$1,124,525 supports three limited-duration positions housed in the Shared Services/Central Pool program area, and associated services and supplies costs. These include two positions in regional governance solutions and one position for West Coast Strategies. The second newly-established Lottery Funds expenditure limitation provides \$250,000 for Business, Innovation and Trade for an ongoing Economic Gardening services pilot project. Both of these Lottery Funds expenditure limitations are approved on a one-biennium basis, and will be phased out in the development of the Department's 2015-17 biennium current service level budget.

The bill includes several budget adjustments to allow expenditures of bond proceeds authorized for the Department by Senate Bill 5506 and Senate Bill 5533, and payment of the costs of issuing those bonds. The Other Funds expenditure limitation for the cost of issuing Article XI-Q bonds for the agency is reduced by \$115,000, and the Other Funds expenditure limitation for the cost of issuing lottery revenue bonds for the re-

capitalization of the Special Public Works Fund is reduced by \$132,221 from the levels approved in House Bill 5028, the Department's budget bill. These adjustments will provide expenditure limitation of \$120,000 for the cost of issuing the Article XI-Q bonds, and \$258,580 for the cost of issuing the lottery revenue bonds. These costs will be funded from bond proceeds.

The Subcommittee increased the Other Funds expenditure limitation for the seismic rehabilitation grant program by \$30,000,000 to permit expenditure of bond proceeds approved for that program. Finally, the Subcommittee increased the agency's Nonlimited Other Funds expenditures in the Infrastructure Finance Authority by \$12,000,000 for expenditure of lottery revenue bond proceeds transferred to the Special Public Works Fund. Loan award expenditures from the Special Public Works Fund are not limited in the Department's budget.

Housing and Community Services Department

The Subcommittee approved Other Funds expenditure limitation to enable the Department to expend \$5 million in bond proceeds and \$76,190 for cost of issuance for preservation of existing affordable housing. The funds will help provide financing for the acquisition of affordable housing properties with expiring subsidies from owners who do not wish to renew their federal contracts; the properties will be acquired by new owners who commit to keeping them affordable to low-income Oregonians, rather than having the units convert to market-rate housing. The proceeds are anticipated to provide gap financing to preserve an estimated 200 units of affordable housing. The bonds are included in Senate Bill 5533.

The bill includes \$225,000 General Fund for one-time funding for the Oregon Hunger Response Fund for the first year of the biennium. An additional \$225,000 General Fund is included as a special purpose appropriation to the Emergency Board.

Department of Veterans' Affairs

Expenditure limitation is provided to the Oregon Department of Veterans' Affairs for cost of issuance in the amount of \$65,000 Other Funds, and a General Fund appropriation for debt service in the amount of \$502,814, related to the issuance of \$4 million in Article XI-Q bonds for completion of construction of a second Veterans' Home skilled nursing facility in Linn County. Other and Federal Funds Capital Construction expenditure limitation to spend the Article XI-Q bonds and federal matching funds from the U.S. Department of Veterans' Affairs is included in Senate Bill 5507.

A one-time General Fund appropriation of \$350,000 is made to the Oregon Department of Veterans' Affairs for veterans' suicide prevention and crisis intervention telephone counseling services, allocated pursuant to the following budget note:

Budget Note:

The Oregon Department of Veterans' Affairs shall establish a veterans' crisis suicide line that offers free, anonymous assistance, 24 hours a day, to active-duty service members, veterans and their families. The Department shall establish an RFP process for the line to contract with a provider that has a contractual affiliation with the National Suicide Prevention Line and the National Veteran's Crisis Line, and has capacity to answer at least 30,000 veteran or suicide calls per year. The Department shall establish the line within 90 days of passage.

EDUCATION

Department of Education

The State School Fund is adjusted in this bill to reflect a rebalance of statewide resources, decreasing General Fund and increasing Lottery Funds expenditure limitation by \$12,826,545.

The Other Funds expenditure limitation of the Department of Education for the Grant-in-Aid budget unit is increased by \$11,341,084 and the Other Funds expenditure limitation for the Operations unit of the Department of Education is increased by \$658,916 for increased resources for the Network of Quality Teaching and Learning. The funding is contingent on the increased distribution of up to \$12 million from the Common School Fund over and above the standard distribution according to the policy adopted by the State Land Board on April 14, 2009. The increased resources for the Network will be used for grants, contracts and other assistance distributed to school districts, education service districts, and other entities as well as for agency staffing and associated costs for the following components of the Network: (1) \$2.6 million for Educator Effectiveness, (2) \$1.2 million for Student Centered Learning, (3) \$500,000 for Educator Preparation, (4) \$1.0 million for Closing the Achievement Gap, (5) \$2.2 million for Aligning Professional Development Plans to School Improvement Objectives and Educators' Needs, and (6) \$4.5 million for Supporting Implementation of Common Core Standards. Three new limited duration positions are established (two Education Program Specialist 2 and a Program Analyst 4) and the FTE is increased on two other Program Analyst 4 positions for a total FTE increase of 3.38 FTE. This \$12 million increase is a one-time increase for only the 2013-15 biennium.

The Subcommittee approved an increase of \$2.0 million General Fund in the amount appropriated for the strategic initiatives in the grant-in-aid budget unit. These additional funds are for an increase in resources for the Seamless Transitions policy package (package 305) for collaboration or consortiums of post-secondary institutions and school districts to increase the award of college or community college credits for high school students. The combined funding of this \$2.0 million and the \$2.0 million appropriated for this purpose in Senate Bill 5518, is to be used to support the Eastern Promise consortium and the expansion of consortiums into other regions of the state.

The bill includes \$1.5 million General Fund for Student Achievement Improvement Grants established in House Bill 2322. The Department of Education is to award at least two grants per congressional district to schools considered high poverty under Title I of the federal Elementary and Secondary Act, serving students in grades Kindergarten to 8th grade that are in the bottom five percent of all schools based on the rating system used by the Department for academic performance. The funds are to be used to hire at least one licensed teacher at the school. The grant program is only authorized for the 2013-15 biennium.

The following budget notes were approved:

Budget Note:

The Oregon Department of Education is instructed to report to the Interim Joint Committee on Ways and Means before January 1, 2014 on progress on implementing its 2013-15 strategic plan. This first report is to be a baseline for future reports to the Legislature for measuring the success of transforming the agency to focus more on assisting and collaborating with educational partners, closing the achievement gaps, and being more "results-focused." The report should include the following:

1. A breakdown of the agency's education programs and services with a description of each program and service, including overall purpose, description of federal or state laws or rule that govern the program, target group served, overall funding by fund type, amount of program funding, amount of staff resources dedicated to the program based on FTE, amount spent on administrative costs at the state level, and description of measurements use to gauge the performance of the program or service.
2. Actions taken by the agency in the past six months to become more collaborative with partners and to improve customer service.
3. Actions taken by the agency in the past six months to increase the share of funding the agency receives that is passed through to educational partners.
4. Comparison of the staffing levels and operations of the Oregon Department of Education with education agencies in other states with similar missions and responsibilities.
5. Description of changes in the overall measures and metrics established by the agency as part of its strategic plan development.

The Department will consult with the Legislative Fiscal Office in determining the level of detail included in item #1 above and how specific the program level that should be in the report to the Legislature. In addition to the report due by January 1, 2014, the Department is instructed to provide updated information on the items above during the budget presentation to the Joint Committee on Ways and Means during the 2015 Legislative Session.

Budget Note:

The Department of Education shall not purchase or acquire the interim item bank and related assessments from Smarter Balance Assessment Consortium. The Department shall provide each district with available funds to administer a locally selected and established interim growth assessment system for students in grades Kindergarten through ninth that is capable of informing instruction and measuring student academic performance against a stable scale irrespective of grade level.

The Subcommittee approved an increase of \$500,000 General Fund for the Farm to School program described in ORS 336.431. This program enables schools to offer fresh, locally sourced products and to promote mutually beneficial educational activities and focus on children's long-term health habits. In addition, Federal Funds expenditure limitation for early learning programs was increased by \$1.0 million to reflect a larger carry-forward of child care related funds from 2011-13.

Department of Community Colleges and Workforce Development

A specific Other Funds expenditure limitation for debt service for Article XI-G bonds is established in the amount of \$307,051 for the Department of Community Colleges and Workforce Development. A corresponding reduction in another Other Funds expenditure limitation for the Department is made for a net change of zero across the entire agency.

Oregon Health and Science University

House Bill 5008 includes a General Fund appropriation of \$1,000,000 through the Department of Administrative Services, for the Primary Health Care Loan Forgiveness Program in the Office of Rural Health at the Oregon Health and Science University. This program provides loans to eligible primary care practitioners enrolled in an approved rural-specific Oregon training Program, and was established in 2011. This provides additional funding for the 2013-15 biennium.

Higher Education Coordinating Commission

The Subcommittee approved an increase of \$859,630 General Fund for the budget for the Higher Education Coordinating Commission (HECC) to reflect the added responsibilities of House Bill 3120 and Senate Bill 270. Both of these bills are related to post-secondary education governance. This funding is in addition to the amount already included in House Bill 5033, the budget bill for the HECC. This funding will be used to fund six permanent positions (3.69 FTE) – a manager, two Operations/Policy Analyst 4 positions, two Education Program Specialist 2 positions, and one Procurement and Contract Specialist 3 position. The manager position is budgeted to start in October of 2013 with the remaining positions to start in April 2014. The following budget note was approved:

Budget Note:

Prior to final adoption of any significant change to the distribution of the Community College Support Fund, the Higher Education Coordinating Commission is directed to consult with the appropriate legislative committees including the interim policy committees with jurisdiction on post-secondary education issues and the interim Joint Committee on Ways and Means or Emergency Board on the proposed distribution change.

Oregon University System

The Subcommittee increased the General Fund appropriation for public university support by \$15,000,000 with direction that the money be used to reduce resident undergraduate tuition increases at the state's seven public universities. The Subcommittee adopted the following budget note to limit tuition increases on resident undergraduate students:

Budget Note:

In adopting the budget for the Oregon University System, the Legislature intends that increases in the base rates for tuition paid by resident undergraduate students on all seven campuses and one branch campus (EOU, OIT, OSU, OSU-Cascades, PSU, SOU, UO and WOU) may not exceed an average of 3.5% at any individual campus in any given year of the 2013-15 biennium. For students choosing the Tuition Promise program at WOU, rates of increase over the prior cohort may not exceed 5.7% in any given year. These limits on tuition shall apply to all seven campuses and one branch campus for the next two academic years (2013-14 and 2014-15) regardless of the outcome of any governance changes that may be implemented during the biennium.

House Bill 5008 includes General Fund appropriations to the Oregon University System (OUS) State Programs budget unit for the following purposes:

- \$1,200,000 to expand fermentation science programs at Oregon State University.
- \$250,000 one-time appropriation to Oregon State University for technical assistance to help shellfish hatchery larval production affected by ocean acidification and assist with the maintenance of OSU's Mollusca Brood Stock Program with the intent to produce larval strains more resilient to the adverse effects of ocean acidification.
- \$80,000 to increase the base funding for the Labor Education and Research Center at the University of Oregon.

The Subcommittee adopted the following budget note related to public university support of State Programs with non-state funding:

Budget Note:

It is the expectation of the Legislature that university support for State Programs housed within the Oregon University System be maintained or increased in the same manner as other university programs during the 2013-15 biennium.

The Subcommittee also approved a decrease of \$856,000 General Fund from the budget for the Oregon University System to reflect the shifting of various responsibilities in House Bill 3120 and Senate Bill 270 from the Chancellor's Office (CO) to the Higher Education Coordinating Commission (HECC). Both of these bills are related to post-secondary education governance. This reduction related to transfer of duties from CO to HECC rolls-up to a \$1,200,000 General Fund reduction in the 2015-17 biennium.

HUMAN SERVICES

Oregon Health Authority

The Subcommittee added \$1,360,000 General Fund to the Oregon Health Authority for the following purposes:

- \$200,000 General Fund for providing fresh Oregon-grown fruits, vegetables and cut herbs from farmers' markets and roadside stands to eligible low-income seniors under the Senior Farm Direct Nutrition Program. Another \$100,000 General Fund was added for the same purpose for eligible individuals through the Women, Infants and Children Program.
- \$260,000 General Fund to increase reimbursements for ambulance transport services.
- \$200,000 General Fund for the Oregon State Hospital to contract for legal services from the Marion County District Attorney, to address the issue of chronically violent patients at the hospital.
- \$700,000 General Fund for breast and cervical cancer screening services. Of this total, about \$400,000 is needed to backfill funding shortfalls in the first year of the biennium related to reductions in funding from the Komen Foundation, as well as reductions resulting from federal sequestration.

The transfer of \$100,000 General Fund from the CCare program to the Oregon Vasectomy Project was approved. This will supplement the project's \$10,000 Title X federal funds.

The Subcommittee approved additional rate increases for the Alcohol and Drug system in Addictions and Mental Health (AMH). A total of \$800,000 General Fund will be used to provide a 2.4% rate increase effective July 1, 2013, and another \$1.4 million General Fund will be used to increase the room and board rate for youth residential beds from \$60 per day to \$90 per day effective July 1, 2013. (The agency's regular budget bill, House Bill 5030, already increases those rates from \$30 per day to \$60 per day.) The funding for these changes comes from two sources: \$1.7 million from the "reinvested" dollars in the AMH budget, resulting from dollars freed up as more clients will have insurance beginning January 2014, and \$500,000 General Fund from the Intensive Treatment and Recovery Services (ITRS) program. With the Affordable Care Act expansion, many of the ITRS clients will have insurance, and less General Fund will be needed to maintain the program level.

ITRS is reduced an additional \$3.3 million General Fund, and this funding is placed in a special purpose appropriation in the Emergency Board, to be available for rate increases in the adult residential system for alcohol and drug treatment for the second year of the biennium. As documented in the budget report for House Bill 5030, the agency will do a study of both the youth and adult systems and report to the 2014 Legislature. Based on the findings of that study, some or all of this special purpose appropriation could be allocated at that time. The Legislature could also decide to reduce the youth rate based on the results of that study.

House Bill 5030, the budget bill for the Oregon Health Authority, eliminated all Other Funds Nonlimited authority for the Public Employees' Benefit Board and the Oregon Educators Benefit Board, and instead moved all expenditure limitation to Other Funds Limited. This bill reverses that, resulting in a decrease in Other Funds Limited of \$3.2 billion and an increase in Other Funds Nonlimited of the same amount.

The following budget notes related to the Oregon State Hospital and the Blue Mountain Recovery Center were approved:

Budget Note:

The Oregon Health Authority shall report to the interim Joint Committee on Ways and Means or the Emergency Board by December 2013 on recommendations for decreasing the use of overtime and improving patient and staff safety at the Oregon State Hospital.

In order to make recommendations, the Oregon State Hospital will form a work group that will include representation from some of the major classifications of employees, particularly those providing direct care of patients, such as psychologists, psychiatrists, registered nurses, mental health therapists, mental health therapy technicians, mental health security technicians, and managers.

The report should include the following:

- Data on overtime hours worked and costs over the last 12 to 18 months, as well as the reasons for the use of this overtime. Details on mandated overtime should be reported.
- Data on the numbers and types of assaults on patients and staff over the last 12 to 18 months, as well as the costs, both direct and indirect, associated with those assaults. The report should also contain information on the concentration of those assaults involving a small number of individuals.
- Recommendations for reducing overtime and reducing assaults, and the status of implementing those recommendations. The report should include, but not be limited to, recommendations related to the float (relief) pool, such as the appropriate mix of permanent full-time, permanent part-time, limited duration, and temporary positions. The report should also consider recommendations for working with the Marion County District Attorney to address issues related to chronically violent patients.

Budget Note:

The Oregon Health Authority shall report to the appropriate legislative committee in September and December on the planning for the transfer of patients from the Blue Mountain Recovery Center (BMRC) pending its closure on January 1, 2014. Additionally, the Oregon Health Authority shall convene a workgroup comprised of the appropriate representatives of the various stakeholder groups, to identify future options for BMRC staff and facilities. The workgroup will have the following charge:

- (1) To identify needed services for Eastern Oregon's most vulnerable people, including those with:
 - (a) acute and chronic mental illness who require special services to enable them to successfully function in society;

- (b) substance abuse and subsequent involvement with the criminal justice system; and
- (c) mental illness and additional complications arising from age-related conditions.

(2) To advise the legislature and the Oregon Health Authority on strategies to best retain the existing specialized mental health workforce in the region; and

(3) To advise the legislature and the Oregon Health Authority on the best utilization of the current facilities and identify additional capital improvements to provide the above-identified services.

Department of Human Services

The Subcommittee added \$5 million General Fund and \$9.7 million Federal Funds expenditure limitation (\$14.7 total funds) to the Aging and People with Disabilities budget for the following purposes:

- \$1,300,000 General Fund and \$2,900,000 Federal Funds limitation to advance the implementation date for home and community based care rate increases from October 1, 2013 to July 1, 2013. Rates have been flat since July 2008 and were increased as part of the Department's budget as approved in Senate Bill 5529.
- \$2,500,000 General Fund and \$5,600,000 Federal Funds limitation to partially restore the instrumental activities of daily living (IADL) reduction that occurred in January 2012. Using available funding, the Department will develop and implement a plan to restore hours to the maximum extent possible. The plan may include a phased-in restoration as the Department conducts eligibility re-assessments for consumers served in long term care programs.
- \$700,000 General Fund to augment \$1.6 million General Fund already approved to support projects (innovations and pilots) to develop new approaches to long term care services. The additional amount includes \$350,000 General Fund for a grant to the Neighborhood Housing and Care Program, which is implementing a model for serving people living with HIV/AIDS in their homes. The average age and acuity of these individuals is growing along with the baby boomer population.
- \$500,000 General Fund and \$1,200,000 Federal Funds limitation to help cover Homecare Worker compensation costs associated with nurse delegation duties.

The 2013-15 budget approved for the Department of Human Services (DHS) in Senate Bill 5529 continued some reductions in developmental disability program budgets for community programs and brokerages. These reductions left equity (parity) relative to state office costs at levels ranging from 85% to 95%, depending on the budget component (e.g., case management and brokerage options). After completion of the DHS budget in Senate Bill 5529, DHS discovered that, within the budgeted funding level for these programs and with some updated assumptions in the budget model, equity for both programs could be brought up to 94% across all components. The Subcommittee approved the Department's plan to realign the budgets for the programs and implement the revised parity level. DHS is currently developing workload-based models for both programs and plans to build those models into the agency's 2015-17 budget proposal.

The Subcommittee added \$1,000,000 Other Funds expenditure limitation for the Employment Related Day Care (ERDC) program to help cover child care provider rate increases while providing subsidies to as many employed parents as possible. This funding is currently available due to lower than expected 2011-13 utilization of federal Child Care Development Fund dollars by the Child Care Division; General Fund may be needed in future biennia to cover these expenditures.

Long Term Care Ombudsman

The Subcommittee added \$585,488 General Fund and seven permanent positions (2.81 FTE) to support work under Senate Bill 626, which expands duties of the Long Term Care Ombudsman to advocate for residents of care facilities who have mental illness or developmental disabilities. There are about 7,600 persons living in 1,816 licensed adult foster homes and group homes in Oregon serving persons with developmental disabilities and mental illness.

To provide the subject matter expertise needed to develop and refine the expanded program, the agency would add one permanent full-time Program Analyst 4 position. Five full-time deputy ombudsman positions (Program Analyst 2 classification) would ultimately be needed to work with approximately 125 new volunteers. Consistent with an expected gradual ramp-up for the new program, four of these positions would be phased in over the last 12 months of the 2013-15 biennium, with the fifth position phased-in at the start of the 2015-17 biennium. A half-time volunteer recruiter position (Program Analyst 1) would also be required to develop and maintain volunteer ranks and an Administrative Specialist would help support the new program, staff, volunteers, and an expanded advisory committee.

In addition, to help the agency better serve its existing clients, the Subcommittee increased the agency's budget by \$200,000 General Fund, which covers salary and other costs associated with adding one full-time deputy ombudsman position (1.00 FTE). This position will supervise 25 to 30 additional volunteers, increasing facility coverage (visits) with an emphasis on adult foster homes.

JUDICIAL BRANCH

Judicial Department

The Subcommittee increased the General Fund appropriation for judicial compensation by \$634,980, to finance a second salary increase for judges during the 2013-15 biennium. Judicial salaries are established by statute. House Bill 2322 increases the salaries of judges by \$5,000 per year beginning January 1, 2014, and by an additional \$5,000 per year beginning January 1, 2015. The 2013-15 biennium cost of the House Bill 2322 salary increases totals \$2,539,916. House Bill 5016, the budget bill for the Judicial Department, includes \$1,934,859 General Fund to fund the first \$5,000 salary increase. The General Fund increase included in this bill provides the additional funds needed to pay the second \$5,000 salary increase for the six months that it will be in effect in the 2013-15 biennium.

An Other Funds expenditure limitation increase of \$335,000 was approved for operations, for costs of issuing Article XI-Q bonds to finance a \$4.4 million capital construction project to renovate the exterior of the Supreme Court Building, and to finance a \$15 million grant to support development of a new courthouse for the Multnomah County Circuit Court in Portland. The cost of issuing the bonds will be financed from the proceeds of the bonds.

The Subcommittee also established a \$1 Other Funds expenditure limitation for the Oregon Courthouse Capital Construction and Improvement Fund. This newly-established Fund will hold Article XI-Q bond proceeds and county matching funds, and will be used to fund the purchase, remodeling or construction of courthouses owned or operated by the State. Senate Bill 5506 authorizes \$15 million of Article XI-Q bond proceeds that would be deposited into this Fund. The Legislative Assembly or the Emergency Board must increase the \$1 expenditure limitation, before bond proceeds and county matching funds could be distributed to the county for a construction project.

The Subcommittee reduced the Other Funds expenditure limitation on expenditures of Article XI-Q bond proceeds for Oregon eCourt by \$190,767, to correct an error in House Bill 5016, the Judicial Department's budget bill.

Public Defense Services Commission

The Subcommittee increased the General Fund appropriation for Professional Services by \$2,409,367. This increase includes three components:

- General Fund is increased \$2,400,000 to reduce trial-level juvenile dependency caseloads and improve the quality of legal services in juvenile dependency and termination of parental rights cases. The approved funding level will support an approximate 4.5% average reduction in the caseloads of attorneys providing these services, however, the agency may choose to distribute available funds on a pilot project basis. The agency will make caseload reductions conditional upon agreement to implement established best practices, and will evaluate the impacts of the caseload reductions.
- General Fund is increased \$864,567 to increase compensation paid to public defender contractors, hourly-paid attorneys, and hourly-paid investigators. The funds provided by this action will be added to the \$2,135,433 General Fund appropriated to the Commission for this same purpose in House Bill 5041, to provide a total of \$3,000,000 for compensation increases. From the \$3,000,000 available, the agency is to allocate \$2,329,729 to reduce the average salary differential between public defender salaries and district attorney salaries, allocate \$218,141 to increase the compensation rates for hourly-paid attorneys, and allocate \$452,130 to increase the compensation rates for hourly-paid investigators.
- General Fund is reduced \$855,200 as a result of passage of Senate Bill 40, which reduces crimes for the unlawful manufacture and possession of marijuana and marijuana products. The fiscal impact of these actions will reduce costs to the Commission by this amount.

LEGISLATIVE BRANCH

Legislative Administration Committee

The Legislative Administration Committee has increased expenditures related to the Capitol Master Plan project. The bill establishes an Other Funds limitation of \$615,000 for the cost of issuance of Article XI-Q bonds for the project. It also includes a General Fund appropriation of \$1,421,341 for the debt service on the bonds issued for the 2013-15 biennium. Expenditure limitation for the project costs are provided in SB 5507 (the capital construction bill).

Legislative Fiscal Officer

House Bill 5008 establishes an Other Funds account called the Legislative Fiscal Office Operating Fund.

NATURAL RESOURCES

State Department of Agriculture

The bill adds \$34,060 General Fund to increase special payments to USDA-APHIS-Wildlife Services for predator control activities. \$65,940 General Fund was also added to the Department of Fish and Wildlife for the same purpose. With these increases, state-support in both

departments for predator control activities will be equalized at \$415,889 for the 2013-15 biennium. The Subcommittee added the following budget note related to this increase:

Budget Note:

The Department of Fish and Wildlife and the Department of Agriculture shall, using information provided by USDA-APHIS-Wildlife Services, report to the appropriate subcommittee of the Joint Committee on Ways and Means during the 2015 Regular Session on wildlife conflicts responded to by Wildlife Services agents by species, resource type, and methods used to address the conflict, summarized by county.

The Subcommittee reduced Lottery Funds by \$21,380 to reflect the ending of the County Fair Commission, for which the Department had received funding for minimal administrative support. The moneys will now instead be added to the Lottery Funds support for County Fair payments by the Department of Administrative Services.

Columbia River Gorge Commission

The budget for the Columbia River Gorge Commission was reduced by \$79,873 General Fund to match the lower appropriation made by the State of Washington for Columbia River Gorge Commission activities.

State Department of Energy

House Bill 5008 increases the Department's Other Funds expenditure limitation by \$9,876,190 for home energy efficiency programs that will further the Ten Year Energy Plan goal of meeting new electric energy load growth through energy efficiency and conservation. This expenditure limitation includes \$76,190 for cost of issuance associated with \$5 million in Lottery Bond proceeds, as well as \$4.8 million in unexpended public purpose charge single family weatherization funding transferred from the Housing and Community Services Department in House Bill 2322.

The bill clarifies the use of Lottery Funds by the Department of Energy, to be consistent with the agency's adopted budget.

Department of Environmental Quality

House Bill 5008 removes \$17,140,248 Other Funds expenditure limitation for debt service payments mistakenly added in Senate Bill 5520. This subsection of Senate Bill 5520, the budget bill for the Department of Environmental Quality, is not necessary because the agency was also provided nonlimited Other Funds authority to pay debt service costs during the 2013-15 biennium in the same bill. This adjustment will prevent authorized Other Fund debt service payments from being erroneously doubled counted in 2013-15.

Department of Land Conservation and Development

The Subcommittee approved \$116,000 General Fund to supplement grant funding for the Southern Oregon Regional Land Use Pilot Program. The bill also includes \$80,000 General Fund for a grant to the Columbia River Gorge Commission for continuation of work on urban planning issues inside the Oregon portion of the National Scenic Area in the Columbia River Gorge. In addition, a reduction of \$35,000 General Fund in the Planning Program was approved because rulemaking will not be required to implement provisions of House Bill 2202 to mining on land zoned for exclusive farm use.

State Department of Fish and Wildlife

The Subcommittee added a one-time \$50,000 General Fund appropriation as state match for a study on the effects of cormorant predation on listed salmonids. The state support will be matched with \$150,000 Federal Funds to hire seasonal positions to conduct population surveys, conduct diet studies to help verify the extent of salmonid predations, and assist in on-going hazing efforts.

The bill also adds \$65,940 General Fund to increase special payments to USDA-APHIS-Wildlife Services for predator control activities. \$34,060 General Fund was also added to the Department of Agriculture for the same purpose. With these increases, state-support in both departments for predator control activities will be equalized at \$415,889 General Fund for the 2013-15 biennium. The Subcommittee added the following budget note for both agencies:

Budget Note:

The Department of Fish and Wildlife and the Department of Agriculture shall, using information provided by USDA-APHIS-Wildlife Services, report to the appropriate subcommittee of the Joint Committee on Ways and Means during the 2015 Regular Session on wildlife conflicts responded to by Wildlife Services agents by species, resource type, and methods used to address the conflict, summarized by county.

State Forestry Department

The Department has received a pre-award notice from the U.S. Department of Agriculture regarding the availability of \$3 million of federal legacy dollars to be applied to the Gilchrist Forest acquisition. Limitation in that amount is added for the 2013-15 biennium. The total amount includes \$600,000 for recently-available infill acreage.

To cover the expense of bond issuance for the Gilchrist Forest purchase and the East Lane construction, the Subcommittee increased Other Funds expenditure limitation by \$120,000.

The Department is directed to use up to \$200,000 of the Forest Revenue CSF account to supplement Policy Package 486, SB 5521 (2013), for the same purposes as Package 486. Package 486 provided \$250,000 Other Funds expenditure limitation to meet statutory requirements for forest research and monitoring on the Elliott State Forest.

The following budget note was approved for the State Forestry Department:

Budget Note:

Senate Bill 5521 (2013) provided \$2,885,000 Lottery Funds limitation to the Department of Forestry for the Governor's dry-side forest health collaboration effort for a new business model to improve federal forest project management and technical and scientific support. In administering the funding, the department is authorized to also consider a small grant program and a limited duration liaison position, from the \$2,885,000, at the department's discretion. The small grants are to be administered by the Oregon Watershed Enhancement Board using the Board's existing expenditure limitation. The position, if created, is to be the state's point of contact for the US Forest Service, congressional delegation, local forest collaborative groups, and the state Legislative Assembly.

The Department is directed to report to the Legislature in February 2014 on specific plans, expected outcomes, progress, and the amount of federal funding and support provided to the collaboration.

Parks and Recreation Department

Other Funds expenditure limitation is increased by \$5,000,000 for lottery bond proceeds designated to be passed through to a local recipient for the Willamette Falls project. In addition, the limitation is increased by \$69,882 for cost of issuance expenses. There is no debt service in the 2013-15 biennium as the bonds will not be sold until the spring of 2015. Debt service in 2015-17 is \$0.9 million Lottery Funds.

Department of State Lands

House Bill 5008 increases the Department's Other Funds expenditure limitation by \$307,360. This is for unspent limitation associated with the conversion of 960 open rangeland acres currently leased for livestock grazing. The acreage will be converted to about 620 acres of irrigated agriculture land. The expenditure limitation was authorized by the Emergency Board in May, 2012. Due diligence review and determination of wetlands, required before undertaking the conversion, has taken longer than expected. After the final wetlands determination report in July 2013, the agency can move ahead to complete the project.

The Subcommittee increased the Federal Funds expenditure limitation in anticipation of two Environmental Protection Agency grants to develop scientifically based tools for functions-based, watershed-scale approach to wetlands mitigation in Oregon. The Department expects final notification on the grants in September 2013. The total amount is \$135,000. The Department of Administrative Services (DAS) is requested to unschedule the limitation until such time as State Lands notifies DAS and the Legislative Fiscal Office that the funds are awarded.

Water Resources Department

The Subcommittee approved \$10,242,513 Other Funds expenditure limitation from bond proceed resources for water supply projects including, but not limited to, statewide piping and lining open, rock or dirt-lined irrigation canal projects; implementation/completion of the Umatilla Basin Aquifer Recovery Project, repairing the Dam at Wallowa Lake and constructing a new reservoir in Juniper Canyon; the Willamette Basin Long-Term Water Allocation Study; the Deschutes Basin Study; and development of above and below ground water storage projects with partners in Oregon, Washington State, and Canada.

PUBLIC SAFETY

Department of Corrections

If House Bill 3194 becomes law, the operational budget for the Department of Corrections (DOC), excluding Community Corrections, is reduced by \$19.7 million General Fund and 197 positions (65.31 FTE). This reduction eliminates most of the mandated caseload estimate included in House Bill 5005, and reflects a decrease in projected bed utilization of approximately 700 in 2013-15 from the April 2013 corrections forecast. Although the operational budget is decreased overall, the Department did receive \$168,302 General Fund and 0.79 FTE to support the transitional leave program requirements in House Bill 3194.

The Subcommittee made several modifications to DOC's Community Corrections budget. First, \$9 million General Fund was approved to enhance baseline funding for community corrections programs. Further, if House Bill 3194 becomes law, baseline funding is increased to total

\$215 million, or an additional \$8.09 million General Fund. At \$215 million, the Community Corrections baseline would be \$33 million, or 18%, above the 2011-13 legislatively approved budget. Also, conditional on passage of House Bill 3194, \$5 million General Fund was approved for jail support. DOC will distribute these dollars to counties based on each county's proportion of the baseline funding formula.

The following budget note was approved:

Budget Note:

As in the 2011-13 legislatively approved budget, the Department of Corrections is instructed to address the level of unspecified reductions in its budget without closure of existing facilities and without use of layoffs to reach the reduction goal. A report on what steps may be needed to reach reduction goals will be presented to the Joint Committee on Ways and Means during the February, 2014 legislative session.

Criminal Justice Commission

House Bill 3194 creates the Justice Reinvestment Account (Account) to support grants to counties for programs to reduce recidivism and decrease utilization of state prison capacity. However, the bill itself does not establish a funding level. The Subcommittee approved \$10 million General Fund for the Account with the understanding that an additional \$5 million would be approved during the February 2014 legislative session if the legislative assembly receives a 2013-15 General Fund forecast that is higher than the close of session forecast. This approval was made with the understanding that the Governor's Office will also direct the Criminal Justice Commission (CJC) to allocate \$5 million in federal funds from the 2012 and 2013 Byrne/Justice Assistance Grants for similar grants to counties. In the 2015-17 biennium, the current service level is expected to total \$20 million General Fund for the Account.

The Subcommittee also approved \$190,000 General Fund and the phase-in of one Program Analyst 4 (0.88 FTE) to support grant administration and the Task Force on Public Safety as authorized in House Bill 3194.

The following budget note was approved:

Budget Note:

CJC is directed to administer the Justice Reinvestment Program and Specialty Courts Grant Programs during 2013-2015 using General, Other and Federal Funds. CJC will work with the Justice Reinvestment Grant Review Committee and the Criminal Justice Commission to distribute and allocate these different funds in an efficient and effective manner. CJC will report back on the results of this work during the February 2014 legislative session.

Department of Justice

The Subcommittee approved an increase in Other Funds (Criminal Fine Account) expenditure limitation by \$700,000 to support an increased allocation to Child Abuse Multidisciplinary Intervention (CAMI). With this adjustment, CAMI would receive in total General Fund and Criminal Fine Account allocations, \$10.7 million or 9.9% increase over the 2011-13 legislatively approved budget.

An increase of \$1.8 million General Fund was approved for the Oregon Domestic and Sexual Violence Services Fund (ODSVS). If House Bill 3194 becomes law, an additional \$2.2 million General Fund, for a total of \$4 million, is approved. These adjustments augment the \$4.4 million General Fund authorized in House Bill 5018.

This bill includes a reduction in the Other Funds expenditure limitation for the Department of Justice's Civil Enforcement Division of \$471,040. During consideration of House Bill 5018, this amount was shifted from the Non-limited budget category. Upon further review, restitution and refund payments from the Protection and Education Revolving Account can correctly be categorized as Non-limited.

The Subcommittee approved the first phase of funding to replace the Child Support Enforcement Automated System (CSEAS). This approval included \$1.6 million General Fund for debt service on XI-Q Bonds authorized in Senate Bill 5506, \$14.1 million Other Funds expenditure limitation, and \$27.4 million Federal Funds. In total, the CSEA projected is estimated to cost \$109.4 million with federal funding supporting two-thirds of the project. The Subcommittee also approved the following budget note:

Budget Note:

The Department of Justice (DOJ) is directed to work with the Department of Administrative Services (DAS) in the development and implementation of the Child Support System Modernization project. DAS is to provide support to and collaborate with the DOJ in the information technology systems development lifecycle, procurement, quality assurance, and other support needed to successfully complete this project. DOJ and DAS are directed to report to the Legislative Fiscal Office at a minimum of every six months through the remainder of the biennium on the status of the project as well as provide copies of all Quality Assurance, Quality Control, and Independent Verification and Validation reports upon their receipt by the agency. DOJ is also to submit an update on the status of foundational project management documentation, including copies of completed documents, each accompanied by independent quality control review, to LFO by December 1, 2013.

The Subcommittee approved budget adjustments for an increase in the statutorily set salary for statewide elected officials as provided for in House Bill 2322. The statewide elected officials include the Governor, Secretary of State, State Treasurer, Attorney General, and the Commissioner of Labor and Industries. Each is to receive a salary increase of \$5,000 per year, beginning on January 1, 2014. The impact on the Department of Justice is an increase of \$9,174 Other Funds expenditure limitation, including other payroll expenses. Statewide elected officials last received a salary increase in July of 2009. Statutory Judgeships are also to receive a salary increase (see Judicial Branch program area narrative). The compensation for members of the Legislative Assembly remains unchanged.

The Subcommittee also authorized \$75,000 General Fund to support the Oregon Crime Victims Law Center. Further, the Defense of Criminal Conviction program was reduced by \$391,724 General Fund to reflect a smaller increase in mandated caseload.

Oregon Military Department

The Subcommittee appropriated \$275,000 of General Fund for the Oregon Local Disaster Assistance Loan and Grant Account under the Emergency Management program for possible loans or grants from the account. The Department will need to request Other Funds expenditure limitation from either the Legislature or the Emergency Board specific to a local disaster in order to expend funds from the Account.

The bill includes \$15,000 General Fund for the Oregon Youth Challenge program for the reimbursement of fuel costs of participating youths' parents or legal guardians who travel to the program to visit their children. The Oregon Youth Challenge program is to establish a reimbursement policy for such expenses and is to expend no more than the appropriation provided, unless federal matching funds are available for this purpose.

General Fund Debt Service of \$314,523 was approved to support repayment of Article XI-Q General Obligation bond approved in Senate Bill 5506 for the 2013-15 biennium (Sharff Hall – Portland and Roseburg Armory). The appropriation reflects a reduction of \$78,840 for General Fund Debt Service savings from previously issued bonds. The General Fund Debt Service for the 2015-17 biennium will total \$2.2 million and will include Debt Service costs for Sharff Hall, the Medford Armory, the Roseburg Armory, and the Baker City Readiness Center. The Subcommittee also approved \$237,345 Other Funds expenditure limitation for the cost of issuance for the four projects.

Oregon State Police

To address concerns for diminishing availability of public safety services in some Oregon counties, particularly in the areas of patrol and criminal investigations, the Subcommittee approved \$1.16 million General Fund and 10 trooper positions (2.50 FTE) within the Patrol Division, \$462,000 General Fund and four trooper positions (1.00 FTE) within the Criminal Division, \$1.47 million General Fund for forensic equipment and one Forensic Scientist (0.88 FTE), and \$300,000 General Fund to support contractual payments for medical examiner services in Southern Oregon.

Department of Public Safety Standards and Training

The Subcommittee approved \$1 million Other Funds (Criminal Fine Account) expenditure limitation and four Public Safety Training Specialist 2 positions (3.52 FTE) to support the Oregon Center for Policing Excellence.

Oregon Youth Authority

The General Fund appropriation for the East Multnomah County gang funding is increased by \$126,673 for extraordinary inflation associated with personnel costs. Total funding with this addition is \$1,833,428.

Because of savings in capital projects, Oregon Youth Authority is able to redirect unspent funds to debt service, eliminating the need for the same amount of General Fund. The Subcommittee approved establishing a new other Funds expenditure limitation for \$384,877 for debt service. The General Fund reduction is included in the omnibus adjustments.

TRANSPORTATION

Department of Transportation

Senate Bill 665 proposed moving the Statewide Interoperability Coordinator (SWIC) position and support for the Statewide Interoperability Executive Council from the Department of Transportation to the Department of Administrative Services. The bill was not heard. The agencies are instructed to complete planning for the transfer and report to the February 2014 Legislature on status of the federal FirstNet grant funding and how the SWIC's salary and other expenses will be paid. Two positions that were eliminated from the Department of Transportation's Highway Maintenance unit budget in anticipation of Senate Bill 665's passage are restored. They are a Project Manager 3 and an Operations and Policy Analyst 4. Other Funds expenditure limitation is increased by \$391,871 in Personal Services to support the positions.

House Bill 3137 permits an individual to submit to the Department of Transportation a voluntary odometer reading for a vehicle over ten years old as part of transfer of any interest in the motor vehicle. The measure has a fiscal impact to the Driver and Motor Vehicles Division. If the bill becomes law, it is understood that the Department may proceed with implementation if the National Highway Traffic Safety Administration odometer fraud grant in the same amount, for which the Department applied in May, 2013, is awarded. If the grant is not awarded and the Department can find no other funding to implement the measure, the Department may request funding from the Legislature in February 2014.

The Subcommittee approved an increase in Other Funds expenditure limitation in the Transportation Program Development section of \$42,000,000 in lottery bond proceeds for ConnectOregon V. In addition, the limitation is increased by \$691,683 for cost of issuance expenses. There is no debt service in the 2013-15 biennium as the bonds will not be sold until the spring of 2015. Debt service in 2015-17 is \$7.6 million Lottery Funds. The following direction was provided:

Budget Note:

In order to ensure Connect Oregon Funds are used efficiently and effectively, the department shall take steps to ensure that projects are delivered on time and on budget. Actions shall include, but not be limited to, the withholding of five percent of the moneys awarded. Of the amount withheld under this section, the department shall release to the recipient:

- (a) Eighty percent when the recipient has completed the project.
- (b) Twenty percent when the recipient has submitted and the department has accepted the final performance measure report as established by agreement between the department and the recipient. The department may not pay and the recipient forfeits the amount withheld under this paragraph if the recipient does not submit a final performance measure report before the due date in a manner that is acceptable to the department as established by the agreement between the department and the recipient. Additionally, if the recipient does not submit the performance measure report before the due date, the recipient may not apply for another performance grant during the next application cycle.

Public Transit Other Funds expenditure limitation is increased by \$3,500,000 lottery bond proceeds for the Salem Keizer Transit Center. In addition, the Other Funds limitation is increased by \$62,986 for cost of issuance expenses. There is no debt service in the 2013-15 biennium as the bonds will not be sold until the spring of 2015. Debt service in 2015-17 is \$0.6 million Lottery Funds.

General Fund debt service in Senate Bill 5544 for the Lane Transit EmX project is eliminated, for a reduction of \$757,944. Lottery Funds debt service for this borrowing will begin in the 2015-17 biennium.

Other Funds expenditure limitation is increased in the Rail Division by \$10,000,000 for lottery bond proceeds for Coos Bay Rail. In addition, the limitation is increased by \$239,248 for cost of issuance expenses. There is no debt service in the 2013-15 biennium as the bonds will not be sold until the spring of 2015. Debt service in 2015-17 is \$1.8 million Lottery Funds.

Adjustments to 2011-13 Budgets

Emergency Board

House Bill 5008 disappropriates \$50,447,306 General Fund from the Emergency Board. This represents all remaining appropriation in the Emergency Board for the 2011-13 biennium.

Oregon University System

The Subcommittee acted to align 2011-13 Other Funds expenditure limitations, adopted for the Oregon University System (OUS) before Senate Bill 242 (2011) was passed, with current budget reality, by removing a total of \$2,329,480,585 Other Fund limited and \$2,236,635,139 Other Funds non-limited authority approved by the Legislature during the 2011 Regular Session. With the passage of Senate Bill 242 (2011) the Oregon University System and its seven public universities were reorganized as non-state agencies. Part of this change involved removing OUS from being subject to Other Funds expenditure limitation by the Legislature.

Oregon Youth Authority

House Bill 5008 includes a supplemental General Fund appropriation of \$200,000 for operations.

Military Department

The Subcommittee disappropriated \$460,000 of General Fund for the Oregon Local Disaster Assistance Loan and Grant Account, which is in the Emergency Management program. There are currently no outstanding loan or grant requests for the account. The Subcommittee also disappropriated \$26,748 of General Fund Debt Service savings from the Capital Debt Service and Related Costs program.

Enrolled Senate Bill 102

Printed pursuant to Senate Interim Rule 213.28 by order of the President of the Senate in conformance with pre-session filing rules, indicating neither advocacy nor opposition on the part of the President (at the request of Governor John A. Kitzhaber, M.D., for Oregon Student Access Commission)

CHAPTER

AN ACT

Relating to education fees; amending ORS 348.606 and 348.607; and declaring an emergency.

Be It Enacted by the People of the State of Oregon:

SECTION 1. ORS 348.606 is amended to read:

348.606. (1) A school may not confer or offer to confer any academic degree upon a person, or provide services purporting to lead to a degree in whole or in part, without first obtaining approval from the Higher Education Coordinating Commission. The commission shall adopt by rule standards and procedures for the approval of schools.

(2)(a) The commission, by rule, may impose *[a fee]* **fees** on any school applying for approval to confer or offer to confer a degree upon a person or to provide academic credit applicable to a degree. *[The]* **Any fee imposed under this section** is nonrefundable.

(b) The amount of *[the fee shall be]* **each fee in this section** is established to recover designated expenses incurred by the commission in carrying out the administration of ORS 348.594 to 348.615, and may not exceed the *[following]* **amounts specified in this section** adjusted for inflation annually, beginning on July 1, *[2007]* **2012**, pursuant to the increase, if any, from the preceding year in the U.S. City Average Consumer Price Index for All Urban Consumers (All Items) as published by the Bureau of Labor Statistics of the United States Department of Labor[:].

[(A) For a doctoral degree, \$5,500.]

[(B) For a master's degree, \$4,150.]

[(C) For a bachelor's degree, \$4,150.]

[(D) For an associate degree, \$2,750.]

[(E) For a certificate or for any partial degree program, \$1,000.]

(3) **For periodic review of a school's general administrative and academic operations, and continued oversight and support of the school, the commission may impose the following fee on each school, to be paid biennially:**

(a) **\$2,000 for a full review and oversight of a school with a complex organizational structure.**

(b) **\$1,000 for a full review and oversight of a school wholly administered and governed at a single campus in this state.**

(4) **For periodic evaluation of academic programs offered by schools subject to continued oversight, the commission may impose the following fees per program for the following degrees or certificates:**

- (a) \$2,000 for a nondegree certificate.
- (b) \$3,000 for an associate degree.
- (c) \$4,000 for a bachelor's degree, master's degree or doctoral degree.
- (5) In addition to the base fees described in subsections (3) and (4) of this section:
 - (a) The commission may impose a fee of not more than \$500 for a change in program, based on the scope and complexity of the proposed program change.
 - (b) For review of qualifications of staff prior to hiring, the commission may impose a fee of:
 - (A) Not more than \$50 for each new instructor.
 - (B) Not more than \$100 for each new administrator or senior academic staff person.
- [(c)] (6) In addition to the [base fee] fees described in [paragraph (b) of this subsection] subsections (3) to (5) of this section, the commission may assess:
 - (a) The actual costs related to the use of experts to evaluate programs leading to professional licensure by the state, if such costs exceed 10 percent of the base [fee] fees.
 - (b) Costs associated with travel expenses for:
 - (A) Schools subject to review and oversight under subsection (3) of this section; or
 - (B) Schools located outside this state that seek authorization to offer degrees without accreditation to residents of this state.
- [(d)] (7) Any fees collected under this [subsection] section shall be deposited in the Degree Authorization Account established under ORS 348.601.

SECTION 2. ORS 348.607 is amended to read:

348.607. (1)(a) The Higher Education Coordinating Commission may, *by rule,* impose a fee on a school that applies for an exemption under ORS 348.604. *[The amount of the fee may not exceed the lesser of:]*

[(a)] (b) **The amount of the fee may not exceed the actual cost to the commission of determining the school's compliance with the requirements for an exemption under ORS 348.604; or, and may not exceed \$1,000.**

[(b) Fifty percent of the fee that the commission would impose on the school under ORS 348.606 (2) if the school were applying for approval to offer a bachelor's degree.]

(2) Except as provided in ORS 348.604 or 348.608 or section 6, chapter 546, Oregon Laws 2005, the commission may not impose requirements for a religious exemption from ORS 348.594 to 348.615.

SECTION 3. This 2013 Act being necessary for the immediate preservation of the public peace, health and safety, an emergency is declared to exist, and this 2013 Act takes effect on its passage.

Passed by Senate June 19, 2013

.....
Robert Taylor, Secretary of Senate

.....
Peter Courtney, President of Senate

Passed by House June 24, 2013

.....
Tina Kotek, Speaker of House

Received by Governor:

.....M.,....., 2013

Approved:

.....M.,....., 2013

.....
John Kitzhaber, Governor

Filed in Office of Secretary of State:

.....M.,....., 2013

.....
Kate Brown, Secretary of State

Enrolled
Senate Bill 5702

Sponsored by JOINT COMMITTEE ON WAYS AND MEANS

CHAPTER

AN ACT

Relating to state financial administration; creating new provisions; amending section 6, chapter 727, Oregon Laws 2013; limiting expenditures; and declaring an emergency.

Be It Enacted by the People of the State of Oregon:

SECTION 1. Notwithstanding any other law limiting expenditures, the amount of \$237,000 is established for a six-year period beginning July 1, 2013, as the maximum limit for payment of expenses from federal funds collected or received by the Department of Transportation for public safety broadband planning.

SECTION 2. (1) Notwithstanding any other law limiting expenditures, the limitation on expenditures established by section 1 (2)(c), chapter 727, Oregon Laws 2013, for a six-year period beginning July 1, 2013, as the maximum limit for payment of expenses from fees, moneys or other revenues, including Miscellaneous Receipts, but excluding lottery funds and federal funds, collected or received by the Oregon Department of Administrative Services for Public Utility Commission Building exterior replacement is increased by \$2,147,920.

(2) Notwithstanding any other law limiting expenditures, the limitation on expenditures established by section 1 (2)(a), chapter 727, Oregon Laws 2013, for a six-year period beginning July 1, 2013, as the maximum limit for payment of expenses from fees, moneys or other revenues, including Miscellaneous Receipts, but excluding lottery funds and federal funds, collected or received by the Oregon Department of Administrative Services for HVAC improvement projects is decreased by \$947,920.

(3) Notwithstanding any other law limiting expenditures, the limitation on expenditures established by section 1 (2)(g), chapter 727, Oregon Laws 2013, for a six-year period beginning July 1, 2013, as the maximum limit for payment of expenses from fees, moneys or other revenues, including Miscellaneous Receipts, but excluding lottery funds and federal funds, collected or received by the Oregon Department of Administrative Services for Executive Building renovation is decreased by \$500,000.

(4) Notwithstanding any other law limiting expenditures, the limitation on expenditures established by section 1 (2)(c), chapter 615, Oregon Laws 2011, for a six-year period beginning July 1, 2011, as the maximum limit for payment of expenses from fees, moneys or other revenues, including Miscellaneous Receipts, but excluding lottery funds and federal funds, collected or received by the Oregon Department of Administrative Services for fire panel upgrades is decreased by \$700,000.

SECTION 3. Section 6, chapter 727, Oregon Laws 2013, is amended to read:

Sec. 6. Notwithstanding any other law limiting expenditures, the following amounts are established for a six-year period beginning July 1, 2013, as the maximum limit for payment of expenses

under this section from bond proceeds and other revenues, including federal funds, collected or received by the Department of Community Colleges and Workforce Development, for the acquisition of and improvements to land and the acquisition, planning, constructing, altering, repairing, furnishing and equipping of buildings and facilities at community colleges:

Article XI-G Bonds

- (1) Blue Mountain Community College Animal Science Education Center \$ 3,331,350
- (2) Central Oregon Community College [*Academic and Student*] [*Services Center*]..... \$ 5,260,000
- Cascades Hall termination of Oregon State University leasehold, reacquisition of unencumbered fee simple ownership, and remodel..... \$ 3,630,000**
- (3) Chemeketa Community College Applied Technology Classroom..... \$ 8,000,000
- (4) Clackamas Community College Clairmont Career/Technical Center \$ 8,000,000
- (5) Clatsop Community College Health and Wellness Center..... \$ 7,990,000
- (6) Columbia Gorge Community College Advanced Technology Center \$ 7,320,000
- (7) Klamath Community College Student Success and Career/Technical Center \$ 7,850,000
- (8) Lane Community College Center for Student Success \$ 8,000,000
- (9) Linn-Benton Community College Nursing and Allied Health Facilities \$ 8,000,000
- (10) Mt. Hood Community College Student Services Enhancement..... \$ 8,000,000
- (11) Portland Community College Health Professions Center \$ 8,000,000
- (12) Rogue Community College Health and Science Center..... \$ 8,000,000
- (13) Southwestern Oregon Community College Health and Science Building \$ 8,000,000
- (14) Tillamook Bay Community College Career and Technical Workforce Facility..... \$ 2,000,000
- (15) Treasure Valley Community College Workforce Vocational Center..... \$ 2,830,250
- (16) Umpqua Community College Industrial Arts Center \$ 8,000,000

SECTION 4. Notwithstanding any other law limiting expenditures, the amount of \$1,630,000 is established for a six-year period beginning July 1, 2013, as the maximum limit for payment of expenses from lottery bond proceeds collected or received by the Department of Community Colleges and Workforce Development for the Central Oregon Community College Cascades Hall termination of Oregon State University leasehold, reacquisition of unencumbered fee simple ownership, and remodel.

SECTION 5. Notwithstanding any other law limiting expenditures, the limitation on expenditures established by section 1 (3)(a), chapter 615, Oregon Laws 2011, for a six-year period beginning July 1, 2011, as the maximum limit for payment of expenses from fees, moneys or other revenues, including Miscellaneous Receipts and federal funds, but excluding lottery funds, collected or received by the Oregon Military Department for The Dalles Readiness Center is increased by \$8,000,000.

SECTION 6. The Legislative Assembly approves the proposal of the Oregon Military Department, submitted in accordance with ORS 396.515 (4), for the sale of the Oregon Military Academy/Regional Training Institute building.

SECTION 7. The project approval and expenditure limitation established by section 2 (3), chapter 742, Oregon Laws 2007, for the Oregon State Police for the Oregon Wireless Interoperability Network expires on June 30, 2014.

SECTION 8. This 2014 Act being necessary for the immediate preservation of the public peace, health and safety, an emergency is declared to exist, and this 2014 Act takes effect on its passage.

Passed by Senate March 7, 2014

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Robert Taylor, Secretary of Senate

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Peter Courtney, President of Senate

Passed by House March 7, 2014

.....
Tina Kotek, Speaker of House

Received by Governor:

.....M.,....., 2014

Approved:

.....M.,....., 2014

.....
John Kitzhaber, Governor

Filed in Office of Secretary of State:

.....M.,....., 2014

.....
Kate Brown, Secretary of State

Enrolled
Senate Bill 5703

Sponsored by JOINT COMMITTEE ON WAYS AND MEANS

CHAPTER

AN ACT

Relating to state financial administration; creating new provisions; amending ORS 351.374, 352.113 and 352.138 and section 4, chapter 609, Oregon Laws 2009, sections 1, 2, 3, 8 and 9, chapter 705, Oregon Laws 2013, and sections 8 and 20, chapter 786, Oregon Laws 2013; appropriating money; and declaring an emergency.

Be It Enacted by the People of the State of Oregon:

SECTION 1. Section 8, chapter 786, Oregon Laws 2013, is amended to read:

Sec. 8. (1) For the biennium beginning July 1, 2013, at the request of the Oregon Department of Administrative Services, after the department consults with the State Department of Energy, the State Treasurer *[is authorized to]* **may** issue lottery bonds pursuant to ORS 286A.560 to 286A.585 in an amount *[that produces \$5]* **not to exceed \$10** million in net proceeds *[and interest earnings]* for the purposes described in subsection (2) of this section, plus an additional amount estimated by the State Treasurer to be necessary to pay bond-related costs.

(2) Net proceeds of lottery bonds issued under this section and interest earnings must be transferred to the State Department of Energy in an amount sufficient to provide *[\$5]* **\$10** million in net proceeds and interest earnings for deposit in the *[Clean Energy Deployment Fund established in ORS 470.800 for the purposes described in ORS 470.810.]* **Jobs, Energy and Schools Fund established in ORS 470.575 to provide a grant to Clean Energy Works Oregon for the purposes described in ORS 470.575.**

(3) The Legislative Assembly finds that the use of lottery bond proceeds will create jobs, further economic development, finance public education or restore and protect parks, beaches, watersheds and native fish and wildlife, and is authorized based on the following findings:

(a) Increasing and promoting energy efficiency in structures and operations statewide increases economic development and energy conservation, and expands opportunities for new and emerging industries in Oregon.

(b) The projects made possible through increased funding of energy efficiency programs creates jobs and furthers economic development.

SECTION 2. Section 20, chapter 786, Oregon Laws 2013, is amended to read:

Sec. 20. (1) For the biennium beginning July 1, 2013, at the request of the Oregon Department of Administrative Services, after the department consults with *[the North Central Education Service District]* **Wheeler County**, the State Treasurer *[is authorized to]* **may** issue lottery bonds pursuant to ORS 286A.560 to 286A.585 in an amount *[that produces]* **not to exceed \$1** million in net proceeds *[and interest earnings]* for the purpose described in subsection (2) of this section, plus an additional amount estimated by the State Treasurer to be necessary to pay bond-related costs.

(2) Net proceeds of lottery bonds issued under this section in an amount sufficient to provide \$1 million in net proceeds and interest earnings must be transferred to the department for deposit in the ODAS Economic Development Distributions Fund established in [section 23 of this 2013 Act] **ORS 461.553** for distribution to [the North Central Education Service District] **Wheeler County for the Frontier Digital Network** for the purpose of acquiring digital switching equipment needed to improve [education and] public safety services in [the three counties] **Gilliam, Sherman and Wheeler Counties.**

(3) The Legislative Assembly finds that the use of lottery bond proceeds will create jobs, further economic development, finance public education or restore and protect parks, beaches, watersheds and native fish and wildlife, and is authorized based on the finding that [education and] public safety [are] is a necessary [components] **component** of a climate that facilitates and encourages economic development.

SECTION 3. Section 1, chapter 705, Oregon Laws 2013, is amended to read:

Sec. 1. The amounts authorized, as provided by ORS 286A.035, for issuance of general obligation bonds of this state during the 2013-2015 biennium are as follows:

GENERAL OBLIGATION BONDS

General Fund Obligations

(1) Oregon University System (Art. XI-G):		
(a) Oregon State University:		
(A) Strand Agricultural Hall deferred maintenance	\$	6,586,000
[(B) <i>Biofuels Demonstration</i>] [Project	\$	4,000,000]
[(C) <i>Classroom Building and Quad</i>	\$	32,500,000]
[(D) <i>Cascades Campus Expansion</i>	\$	4,000,000]
(B) Classroom Building and Quad	\$	32,500,000
(C) Cascades Campus Expansion	\$	7,850,000
[(E) <i>Chemistry, Biology and</i> (D) Chemistry, Biology and Environmental Engineering Building	\$	20,000,000
(b) Portland State University:		
(A) School of Business	\$	10,000,000
(B) Stott Center renovations and deferred maintenance	\$	20,000,000
(c) University of Oregon:		
(A) Straub and Earl Halls classroom expansion	\$	11,000,000
(B) Science Commons and Research Library	\$	8,375,000
(d) Western Oregon University New College of Education Facility	\$	1,400,000
(e) Oregon Health and Science University Cancer Institute	\$	161,490,000
(2) Department of Community Colleges and Workforce [Development (Art. XI-G)	\$	125,081,600]
Development (Art. XI-G)	\$	123,451,600
(3) Department of Environmental Quality (Art. XI-H)	\$	10,000,000

(4)	Oregon Business Development Department (Art. XI-M)	\$	15,000,000
(5)	Oregon Business Development Department (Art. XI-N)	\$	15,000,000
(6)	Oregon Department of Administrative [Services (Art. XI-Q)]	\$	426,052,000]
	Services (Art. XI-Q)	\$	459,618,100

Dedicated Fund Obligations

(7)	Department of Transportation (Art. XI, section 7)	\$	453,725,000
(8)	Department of Veterans' Affairs (Art. XI-A)	\$	60,000,000
(9)	Oregon University System (Art. XI-F(1)):		
(a)	Systemwide:		
(A)	Capital renewal, code compliance and safety	\$	3,300,000
(B)	Commercial paper	\$	15,000,000
(C)	Student building fee projects	\$	20,000,000
(b)	Oregon Institute of Technology In Focus Building acquisition	\$	10,000,000
(c)	Oregon State University:		
(A)	Student Experience Center	\$	42,700,000
(B)	New student residence hall	\$	19,000,000
(C)	Memorial Union East Wing renovation	\$	9,177,500
(D)	Cascades campus expansion	\$	4,000,000
(E)	Housing and dining facility upgrades	\$	9,500,000
(d)	Portland State University:		
(A)	Stott Center renovations and deferred maintenance	\$	2,000,000
(B)	Land acquisition	\$	10,000,000
(e)	Southern Oregon University:		
(A)	Cascade Hall replacement	\$	7,000,000
(B)	Student Recreation and Fitness Center	\$	20,000,000
(f)	University of Oregon:		
(A)	Erb Memorial Union	\$	84,300,000
(B)	Student Recreation Center expansion and renovation	\$	50,250,000
(C)	Housing expansion	\$	84,750,000
(10)	Water Resources Department (Art. XI-I(1))	\$	10,235,000
(11)	Housing and Community Services Department (Art. XI-I(2))	\$	25,000,000
(12)	State Department		

of Energy (Art. XI-J)	\$ 60,000,000
<u>Total General Obligation</u>	
<u>[Bonds</u>	\$ 1,708,932,100]
<u>Bonds</u>	\$ 1,902,208,200

SECTION 4. Section 2, chapter 705, Oregon Laws 2013, is amended to read:

Sec. 2. The amounts authorized, as provided by ORS 286A.035, for issuance of revenue bonds of this state during the 2013-2015 biennium are as follows:

REVENUE BONDS

Direct Revenue Bonds

Housing and Community Services Department	\$ 150,000,000
Department of Transportation, Oregon Transportation Infrastructure Fund	\$ 20,400,000
Highway User Tax Bonds	\$ 846,690,000
Toll-backed Revenue Bonds	\$ 663,000,000
Oregon Business Development Department	\$ 35,000,000
Oregon Department of Administrative Services	
<i>[lottery revenue bonds</i>	\$ 157,557,715]
lottery revenue bonds	\$ 219,717,715
State Department of Energy	\$ 20,000,000
Oregon University System	\$ 50,000,000
<u>Total Direct Revenue</u>	
<u>[Bonds</u>	\$ 1,942,647,715]
<u>Bonds</u>	\$ 2,004,807,715

Pass-Through Revenue Bonds

Oregon Business Development Department industrial	
<i>[development bonds</i>	\$ 65,000,000]
<i>[Oregon Facilities Authority</i>	\$ 450,000,000]
development bonds	\$ 165,000,000
Oregon Business Development Department beginning and expanding farmer loan program	\$ 10,000,000
Oregon Facilities Authority	\$ 950,000,000
Housing and Community Services Department	\$ 150,000,000
<u>Total Pass-Through Revenue</u>	
<u>[Bonds</u>	\$ 665,000,000]
<u>[Total Revenue Bonds</u>	\$ 2,607,647,715]
<u>Bonds</u>	\$ 1,275,000,000
<u>Total Revenue Bonds</u>	\$ 3,279,807,715

SECTION 5. Section 3, chapter 705, Oregon Laws 2013, is amended to read:

Sec. 3. The amount authorized, as provided by ORS 286A.035, for issuance of certificates of participation and other financing agreements of this state during the 2013-2015 biennium for the Oregon Department of Administrative Services is [~~\$40,000,000~~] **\$55,600,000**.

SECTION 6. Section 8, chapter 705, Oregon Laws 2013, is amended to read:

Sec. 8. (1) Out of the amount specified in section 1 (6), **chapter 705, Oregon Laws 2013** [*of this 2013 Act*], the State Treasurer may issue Article XI-Q bonds in an amount not to exceed [~~\$15~~] **\$19**

million of net proceeds for the purposes specified in subsection (3) of this section, plus an amount estimated by the State Treasurer to pay estimated bond-related costs.

(2)(a) Bonds may not be issued pursuant to this section unless:

(A) The Chief Justice of the Supreme Court has determined that:

(i) The courthouse with respect to which the bonds will be issued has significant structural defects, including seismic defects, that present actual or potential threats to human health and safety;

(ii) Replacing the courthouse, whether by acquiring and remodeling or repairing an existing building or by constructing a new building, is more cost-effective than remodeling or repairing the courthouse; and

(iii) Replacing the courthouse creates an opportunity for colocation of the court with other *[public]* state offices; and

(B) The Oregon Department of Administrative Services has approved the project for which the bonds will be issued.

(b) The Oregon Department of Administrative Services, after consultation with the Judicial Department, shall determine when net proceeds are needed for the purposes described in subsection (3) of this section and shall consult with the Judicial Department regarding the sale of bonds to be issued pursuant to this section.

(3) The State Treasurer shall deposit the net proceeds of bonds issued pursuant to this section in the Oregon Courthouse Capital Construction and Improvement Fund. The net proceeds and any interest earnings may be used solely to finance costs related to acquiring, constructing, remodeling, repairing, equipping or furnishing **land, improvements, courthouses or portions of courthouses that are, or that upon completion of a project funded under this section will be,** owned or operated by the State of Oregon.

(4) As used in ORS 286A.816 to 286A.826 with respect to this section:

(a) "Project agency" means the Judicial Department.

(b) "Project fund" means the Oregon Courthouse Capital Construction and Improvement Fund.

SECTION 7. Section 9, chapter 705, Oregon Laws 2013, is amended to read:

Sec. 9. (1)(a) Notwithstanding ORS 1.185, a county and the state, acting by and through the Oregon Department of Administrative Services on behalf of the Judicial Department, may enter into *[a lease agreement or an intergovernmental agreement]* **interim agreements that provide for the funding, acquisition, development and construction of a courthouse and require the parties to negotiate in good faith and execute a long-term lease agreement or a long-term intergovernmental agreement** with respect to **the ownership or operation** of a courthouse or portions of a courthouse that the county is required to provide under ORS 1.185, pursuant to which the state agrees to provide the property and services described in ORS 1.185 (1)(a).

(b)(A) An agreement entered into pursuant to this subsection may include a requirement that the county transfer to the Oregon Courthouse Capital Construction and Improvement Fund an amount not less than 50 percent of the total estimated costs of a project funded with bonds issued pursuant to section 8, **chapter 705, Oregon Laws 2013, *[of this 2013 Act]*** with respect to the courthouse or portions of a courthouse that are the subject of the agreement.

(B) The amount transferred by a county pursuant to this paragraph may comprise, **singly or in any combination and proportion:**

(i) Property tax revenues, bond proceeds or any other county moneys *[singly or in any combination and proportion]*; and

(ii) **A credit equal to the higher of the appraised value or the actual purchase price of land purchased by the county for the courthouse if the state approves of the land as the site for the courthouse.**

[(B)] (C) The amount required to be transferred by the county under this subsection may not be less than 75 percent of the total estimated costs unless the project includes colocation *[of state facilities]* in the courthouse **of state offices in addition to the state circuit court facilities.**

(2) For purposes of section 8, chapter 705, Oregon Laws 2013 [of this 2013 Act], the state shall be considered to operate a courthouse or portions of a courthouse that are the subject of an agreement entered into pursuant to subsection (1) of this section if, as applicable:

(a) The lease agreement conveys to the state a full leasehold interest, including exclusive rights to control and use the courthouse or portions of the courthouse that are typical of a long-term lease, for a term that is at least equal to the term during which the bonds issued pursuant to section 8, chapter 705, Oregon Laws 2013, [of this 2013 Act] will remain outstanding.

(b) The intergovernmental agreement grants the state the exclusive right to control and use the courthouse or portions of the courthouse for a term that is at least equal to the term during which the bonds issued pursuant to section 8, chapter 705, Oregon Laws 2013, [of this 2013 Act] will remain outstanding.

SECTION 8. (1) For the biennium beginning July 1, 2013, at the request of the Oregon Department of Administrative Services, after the department consults with the Beaverton Community Health Collaborative, the State Treasurer is authorized to issue lottery bonds pursuant to ORS 286A.560 to 286A.585 in an amount that does not exceed \$1 million in net proceeds for the purpose described in subsection (2) of this section, plus an additional amount estimated by the State Treasurer to be necessary to pay bond-related costs.

(2) Net proceeds of lottery bonds issued under this section in an amount sufficient to provide \$1 million in net proceeds and interest earnings must be transferred to the department for deposit in the ODAS Economic Development Distributions Fund established in ORS 461.553 for distribution to the Beaverton Community Health Collaborative for the development of a health and wellness facility to deliver medical, dental, mental and public health and wellness services in an interdisciplinary way to low-and moderate-income households and special needs populations in the Beaverton area.

(3) The Legislative Assembly finds that the use of lottery bond proceeds will create jobs, further economic development, finance public education or restore and protect parks, beaches, watersheds and native fish and wildlife, and is authorized based on the finding that the health and wellness facility creates jobs and facilitates and encourages economic development by promoting the health and well-being of Oregon's labor force.

SECTION 9. (1) For the biennium beginning July 1, 2013, at the request of the Oregon Department of Administrative Services, after the department consults with the Mid-Columbia Medical Center, the State Treasurer is authorized to issue lottery bonds pursuant to ORS 286A.560 to 286A.585 in an amount that does not exceed \$1 million in net proceeds for the purpose described in subsection (2) of this section, plus an additional amount estimated by the State Treasurer to be necessary to pay bond-related costs.

(2) Net proceeds of lottery bonds issued under this section in an amount sufficient to provide \$1 million in net proceeds and interest earnings must be transferred to the department for deposit in the ODAS Economic Development Distributions Fund established in ORS 461.553 for distribution as a grant to the Mid-Columbia Medical Center for the purpose of a capital construction project to improve or expand the medical center.

(3) The Legislative Assembly finds that the use of lottery bond proceeds will create jobs, further economic development, finance public education or restore and protect parks, beaches, watersheds and native fish and wildlife, and is authorized based on the finding that the capital construction project creates jobs and facilitates and encourages long-term economic development in the region.

SECTION 10. (1) For the biennium beginning July 1, 2013, at the request of the Oregon Department of Administrative Services, after the department consults with the City of Cornelius, the State Treasurer is authorized to issue lottery bonds pursuant to ORS 286A.560 to 286A.585 in an amount that does not exceed \$2.4 million in net proceeds for the purpose described in subsection (2) of this section, plus an additional amount estimated by the State Treasurer to be necessary to pay bond-related costs.

(2) Net proceeds of lottery bonds issued under this section in an amount sufficient to provide \$2.4 million in net proceeds and interest earnings must be transferred to the department for deposit in the ODAS Economic Development Distributions Fund established in ORS 461.553 for distribution to the City of Cornelius for the purpose of financing the development of a new public library.

(3) The Legislative Assembly finds that the use of lottery bond proceeds will create jobs, further economic development, finance public education or restore and protect parks, beaches, watersheds and native fish and wildlife, and is authorized based on the finding that public libraries are a service that is part of the provision of public education to Oregonians.

SECTION 11. (1) For the biennium beginning July 1, 2013, at the request of the Oregon Department of Administrative Services, after the department consults with the City of Stayton, the State Treasurer is authorized to issue lottery bonds pursuant to ORS 286A.560 to 286A.585 in an amount that does not exceed \$1.5 million in net proceeds for the purpose described in subsection (2) of this section, plus an additional amount estimated by the State Treasurer to be necessary to pay bond-related costs.

(2) Net proceeds of lottery bonds issued under this section in an amount sufficient to provide \$1.5 million in net proceeds and interest earnings must be transferred to the department for deposit in the ODAS Economic Development Distributions Fund established in ORS 461.553 for distribution to the City of Stayton for the purpose of financing the improvement or maintenance of storm water infrastructure.

(3) The Legislative Assembly finds that the use of lottery bond proceeds will create jobs, further economic development, finance public education or restore and protect parks, beaches, watersheds and native fish and wildlife, and is authorized based on the finding that the improvement and maintenance of storm water infrastructure creates jobs and maintains public facilities that are necessary to facilitate and encourage economic development.

SECTION 12. (1) Subject to subsection (2) of this section, for the biennium beginning July 1, 2013, at the request of the Oregon Department of Administrative Services, after the department consults with Oregon Health and Science University, the State Treasurer is authorized to issue lottery bonds pursuant to ORS 286A.560 to 286A.585 in an amount that does not exceed \$38 million in net proceeds for the purpose described in subsection (3) of this section, plus an additional amount estimated by the State Treasurer to be necessary to pay bond-related costs.

(2) The lottery bonds authorized by this section may not be issued until the Oregon Department of Administrative Services certifies to the State Treasurer that Oregon Health and Science University has complied with the terms and conditions imposed by the grant agreement required by section 22 of this 2014 Act for issuance of the OHSU Cancer Challenge Article XI-G Bonds.

(3) Net proceeds of lottery bonds issued under this section in an amount sufficient to provide \$38 million in net proceeds and interest earnings must be transferred to the department for deposit in the ODAS Economic Development Distributions Fund established in ORS 461.553 for distribution to Oregon Health and Science University for the purpose of financing the project, as defined in section 20 of this 2014 Act.

(4) The Legislative Assembly finds that the use of lottery bond proceeds will create jobs, further economic development, finance public education or restore and protect parks, beaches, watersheds and native fish and wildlife, and is authorized based on the finding that the project will create jobs and facilitate and encourage long-term economic development by promoting the health of Oregon's labor force.

SECTION 13. (1) For the biennium beginning July 1, 2013, at the request of the Oregon Department of Administrative Services, after the department consults with the Port of Morrow, the State Treasurer is authorized to issue lottery bonds pursuant to ORS 286A.560 to 286A.585 in an amount that does not exceed \$2.9 million in net proceeds for the purpose

described in subsection (2) of this section, plus an additional amount estimated by the State Treasurer to be necessary to pay bond-related costs.

(2) Net proceeds of lottery bonds issued under this section in an amount sufficient to provide \$2.9 million in net proceeds and interest earnings must be transferred to the department for deposit in the ODAS Economic Development Distributions Fund established in ORS 461.553 for distribution to the Port of Morrow for a revolving loan program that supports energy conservation, renewable energy and general business development projects.

(3) The Legislative Assembly finds that the use of lottery bond proceeds will create jobs, further economic development, finance public education or restore and protect parks, beaches, watersheds and native fish and wildlife, and is authorized based on the finding that energy conservation, renewable energy and general business development projects create jobs and facilitate and encourage economic development.

SECTION 14. (1) For the biennium beginning July 1, 2013, at the request of the Oregon Department of Administrative Services, after the department consults with the Department of Community Colleges and Workforce Development, the State Treasurer is authorized to issue lottery bonds pursuant to ORS 286A.560 to 286A.585 in an amount that does not exceed \$1.63 million in net proceeds for the purpose described in subsection (2) of this section, plus an additional amount estimated by the State Treasurer to be necessary to pay bond-related costs.

(2) Net proceeds of lottery bonds issued under this section in an amount sufficient to provide \$1.63 million in net proceeds and interest earnings must be deposited to the Cascades Hall Reacquisition Fund established under section 14a of this 2014 Act for the purpose of terminating the leasehold on, and remodeling, Cascades Hall on the campus of the Central Oregon Community College.

(3) The Legislative Assembly finds that the use of lottery bond proceeds will create jobs, further economic development, finance public education or restore and protect parks, beaches, watersheds and native fish and wildlife, and is authorized based on the finding that the proceeds will be used to finance public education.

SECTION 14a. (1) The Cascades Hall Reacquisition Fund is established in the State Treasury, separate and distinct from the General Fund. Amounts in the Cascades Hall Reacquisition Fund may be invested as provided in ORS 293.701 to 293.857, and interest earned on the fund must be credited to the fund.

(2) Amounts credited to the fund are continuously appropriated to the Department of Community Colleges and Workforce Development for the purpose of terminating the leasehold on, and remodeling, Cascades Hall on the campus of the Central Oregon Community College and for the purpose of paying bond-related costs. The department shall deposit in the fund:

(a) The net proceeds and interest earnings of lottery bonds issued pursuant to section 14 of this 2014 Act;

(b) Amounts appropriated or otherwise provided by the Legislative Assembly for deposit in the fund; and

(c) Gifts, grants or contributions received by the department for the purpose described in this section.

(3) The department may create separate accounts in the fund as appropriate for the management of moneys in the fund.

SECTION 15. Section 4, chapter 906, Oregon Laws 2009, as amended by section 3, chapter 624, Oregon Laws 2011, and section 19, chapter 786, Oregon Laws 2013, is amended to read:

Sec. 4. (1) Pursuant to ORS 286A.560 to 286A.585, at the request of the Oregon Department of Administrative Services, after the department consults with the Housing and Community Services Department, the State Treasurer is authorized to issue lottery bonds for the Housing and Community Services Department to provide financial assistance to aid in the acquisition, renovation or maintenance of section 8 housing or other housing with federal rent subsidies.

(2) The use of lottery bond proceeds is authorized based on the following findings:

(a) Individuals who are at risk of homelessness or who otherwise pay a disproportionate share of income for housing increase their potential for self-sufficiency, and use proportionately fewer community-funded resources when they are provided a stable housing environment.

(b) Having housing for at-risk populations is essential to Oregon's healthy economic growth.

(3) The aggregate principal amount of lottery bonds issued pursuant to subsection (1) of this section may not exceed the amount of [~~\$26,301,718~~] **\$28,801,718** plus an additional amount estimated by the State Treasurer to be necessary to pay bond-related costs as defined in ORS 286A.560.

SECTION 16. ORS 352.113 is amended to read:

352.113. (1) Legal title to all real property acquired by a university with a governing board [~~shall~~] **must** be taken and held in the name of the State of Oregon, acting by and through the governing board. Legal title to all real property conveyed to a university with a governing board is considered to be conveyed to and vested in the State of Oregon, acting by and through the governing board. Authorized conveyances of all real property, other than university lands, acquired by or vested in the State of Oregon for the use or benefit of the university must be executed in the name of the State of Oregon, acting by and through the governing board, by the chairperson of the governing board.

(2) The governing board has custody and control of and shall care for all real property used for university purposes. Management, maintenance, encumbrance, disposal and preservation of all real property used for university purposes, whether the real property is acquired before or after the establishment of a governing board, is the responsibility of the governing board. Unless the governing board has granted prior consent, real property taken and held under this section may only be encumbered by the State of Oregon in accordance with state law and in a manner that would not impair the financial condition of the university or the rights of the holders of any obligations of the university issued or incurred under any master indenture or other financing agreement.

(3) Legal title to all personal property acquired, constructed, remodeled, repaired, equipped or furnished with the proceeds of bonds issued pursuant to Article XI-Q of the Oregon Constitution for the benefit of a university with a governing board must be taken and held in the name of the State of Oregon, acting by and through the governing board. The governing board has custody and control of the personal property and shall care for the personal property owned by the State of Oregon. When the Article XI-Q bonds are no longer outstanding, legal title to the personal property automatically by operation of law transfers to and vests in the university with a governing board for whose benefit the Article XI-Q bonds were issued.

~~[(3)]~~ (4) Unless the State Treasurer has granted prior consent, real or personal property held in the name of the State of Oregon, or in which the State of Oregon has an ownership or other legal interest, that was acquired, constructed, improved with or otherwise directly benefited by the proceeds of outstanding state bonds, may not be:

(a) Used by a governing board in a manner that would give rise to private business use; or

(b) Sold, transferred, encumbered, leased or otherwise disposed of by a governing board. The reference to leases in this paragraph does not apply to residential leases that a governing board enters into with students, faculty or employees of the university.

SECTION 17. ORS 352.138 is amended to read:

352.138. (1) The following entities are not subject to any provision of law enacted after January 1, 2013, that is unique to governmental entities unless the following entities are expressly named:

(a) A university with a governing board; and

(b) Any not-for-profit organization or other entity if the equity of the entity is owned or controlled exclusively by a university with a governing board and if the organization or entity is created by the university to advance any of the university's statutory missions.

(2) Notwithstanding subsection (1) of this section, the provisions of ORS 30.260 to 30.460, 33.710, 33.720, 200.005 to 200.025, 200.045 to 200.090, 236.605 to 236.640, 276.080, 276.090, 279.835, 279.840,

279.850 and 297.040 and ORS chapters 35, 190, 192 and 244 apply to a university with a governing board under the same terms as they apply to public bodies other than the state.

(3) Except as otherwise provided by law, the provisions of ORS 35.550 to 35.575, 180.060, 180.210 to 180.235, 184.305 to 184.345, 190.480, 190.490, 200.035, 243.696, 357.805 to 357.895 and 656.017 (2) and ORS chapters 182, 183, 240, 270, 273, 276, 278, 279A, 279B, 279C, 282, 283, 291, 292, 293, 294, 295 and 297 do not apply to a university with a governing board.

(4) Notwithstanding subsections (1) and (3) of this section, ORS 240.167, 279C.600 to 279C.625, 279C.800, 279C.810, 279C.825, 279C.830, 279C.835, 279C.840, 279C.845, 279C.850, 279C.855, 279C.860, 279C.865, 279C.870 and 292.043 apply to a university with a governing board under the same terms as they apply to public bodies other than the state.

(5) Notwithstanding subsection (2) of this section, ORS 190.430 and 192.105 do not apply to a university with a governing board or any organization or other entity described in subsection (1) of this section.

(6) Except as set forth in subsection (3) of this section, ORS 243.650 to 243.782 apply to a university with a governing board under the same terms as they apply to the state.

(7) ORS 351.065, 351.067, 351.642, 351.643, 351.644, 351.646, 351.656, 351.658, 352.012 and 352.375 apply to a university with a governing board, except that the board or university shall exercise the responsibilities and authorities of the State Board of Higher Education, the Higher Education Coordinating Commission or the Oregon University System.

(8) A university with a governing board and its agents and employees remain subject to all statutes and administrative rules of this state that create rights, benefits or protections in favor of military veterans, service members and families of service members to the same extent as an agency of this state would be subject to such statutes and administrative rules.

(9) ORS 351.692, 351.695 and 351.697 apply to a governing board, except that the board has the responsibilities and authorities with respect to the university it governs that the State Board of Higher Education and the Oregon University System have with respect to the public universities identified in ORS 351.011. A university with a governing board may not issue a tax credit certificate under ORS 351.692, 351.695 and 351.697 that will cause the public universities listed in ORS 352.002 to owe the General Fund more than \$6 million at any one time under ORS 351.692, 351.695 and 351.697.

(10) If state bonds are issued for the benefit of a university with a governing board, the university shall have the powers and duties of a related agency, as defined in ORS 286A.001, to the extent necessary for the issuance of [such] the state bonds and the administration of the proceeds of the state bonds.

(11) If state bonds are issued for the benefit of a university with a governing board under Article XI-Q of the Oregon Constitution, the university shall have the powers and duties of a project agency, as defined in ORS 286A.816, to the extent necessary for the issuance of the state bonds and the administration of the proceeds of the state bonds.

[(11)] (12) Nothing in this section may be construed so that statutory provisions that are not set forth in this section apply to a university with a governing board.

SECTION 17a. ORS 351.374 is amended to read:

351.374. (1) A university with a governing board:

(a) May issue revenue bonds for any lawful purpose of the university in accordance with ORS chapter 287A.

(b) May issue under ORS 287A.360 to 287A.380 refunding bonds of the same character and tenor as the revenue bonds replaced.

(2) For the purposes of ORS 271.390 and ORS chapter 287A, a university with a governing board is a public body.

(3) ORS 287A.150 does not apply to revenue bonds issued by a university with a governing board.

(4) A university with a governing board:

(a) May grant leases of real property held by a trustee or lender for a term that ends on the date on which all amounts due under the operative documents have been paid, or provision for payment has been made, or for a term of up to 20 years after the last scheduled payment under the operative documents, whichever is sooner. The leases may grant the trustee or lender the right to evict the university and exclude the university from possession of the real property for the term of the lease if the university fails to pay when due the amounts scheduled to be paid under the operative documents or otherwise defaults under the operative documents. Upon default, the trustee or lender may sublease the real property to third parties and apply any rents to payments scheduled to be made under the operative documents.

(b) May not mortgage, pledge or grant a security interest in, or otherwise encumber, real or personal property that has been pledged or leased to provide security for, or acquired, constructed, improved with, or otherwise directly benefited by, the proceeds of outstanding state bonds, except as provided in ORS 352.113 [(3)] (4).

(5) Revenue bonds and other obligations authorized by this section:

(a) Are revenue bonds or obligations of a political subdivision of the State of Oregon.

(b) Are not an indebtedness or obligation of the State of Oregon and are not a charge upon revenue or property of the State of Oregon, except as provided in subsection (4) of this section.

(c) Are not a charge upon any revenue or property of a university with a governing board unless the revenue or property is pledged to secure the revenue bonds or other obligations.

(d) Are not payable from, and may not be secured by a pledge of or lien on, any amounts a university with a governing board is required to:

(A) Deposit with the State Treasurer pursuant to ORS 352.135 (2); or

(B) Pay to the State Treasurer pursuant to a schedule described in ORS 351.379.

SECTION 18. Sections 19 to 23 of this 2014 Act are added to and made a part of ORS chapter 286A.

SECTION 19. (1) The Legislative Assembly finds that:

(a) Oregon Health and Science University is a higher education institution and a constructing authority within the meaning of Article XI-G of the Oregon Constitution.

(b) The State of Oregon will benefit from having the State Treasurer issue general obligation bonds authorized by Article XI-G of the Oregon Constitution for the benefit of the university.

(c) The university may use proceeds of general obligation bonds issued for the university's benefit under Article XI-G of the Oregon Constitution, to acquire, construct, improve, repair, equip and furnish the OHSU Cancer Institute Project.

(d) As part of the university's efforts to provide world-class education, including research, health care and other mission-related programs of the university, the university needs buildings, structures and land that:

(A) Will be used for cancer-related research, clinical care and higher education facilities or operations; and

(B) May be used for research, health care or education facilities, programs or ancillary uses constructed, developed or operated in collaboration with other public or private parties.

(2) For purposes of Article XI-G, section 1 (2), of the Oregon Constitution, the Legislative Assembly determines that the university is a higher education institution that will be benefited by the issuance of general obligation bonds under Article XI-G of the Oregon Constitution.

(3) For purposes of Article XI-G, section 1 (3), of the Oregon Constitution, the Legislative Assembly determines that the use of matching funds by the university satisfies the requirement that the proceeds of Article XI-G bonds must be matched.

(4) The Legislative Assembly intends that the State Treasurer shall issue and sell the OHSU Cancer Challenge Article XI-G Bonds as soon as practicable after the Oregon Department of Administrative Services requests issuance of the bonds for the benefit of the university.

SECTION 20. As used in sections 19 to 23 of this 2014 Act:

(1) "Article XI-G bonds" means general obligation bonds issued under the authority of Article XI-G of the Oregon Constitution.

(2) "Bond-related costs" means:

(a) The costs of paying the principal of, the interest on and the premium, if any, on the OHSU Cancer Challenge Article XI-G Bonds.

(b) The costs and expenses of issuing, administering and maintaining OHSU Cancer Challenge Article XI-G Bonds, including the costs and expenses of:

(A) Redeeming the OHSU Cancer Challenge Article XI-G Bonds.

(B) Paying amounts due in connection with credit enhancement devices or agreements for exchange of interest rates.

(C) Paying the fees, administrative costs and expenses of the State Treasurer, the Oregon Department of Administrative Services or Oregon Health and Science University, including the costs of consultants or advisers retained by the State Treasurer, the department or the university.

(c) The costs of funding reserves for the OHSU Cancer Challenge Article XI-G Bonds.

(d) Capitalized interest for the OHSU Cancer Challenge Article XI-G Bonds.

(e) Rebates or penalties due to the United States in connection with the OHSU Cancer Challenge Article XI-G Bonds.

(f) Any other costs or expenses that the State Treasurer, the department or the university determines are necessary or desirable in connection with issuing and maintaining the OHSU Cancer Challenge Article XI-G Bonds.

(3) "Matching funds" means moneys in an aggregate amount totaling at least \$161,490,000 that are available, as required by Article XI-G, section 1 (3), of the Oregon Constitution, to the university and that are used by the university to pay costs of the project.

(4) "OHSU Cancer Challenge Article XI-G Bonds" means general obligation bonds issued or other general obligation indebtedness incurred under the authority of Article XI-G of the Oregon Constitution and sections 19 to 23 of this 2014 Act.

(5) "OHSU Cancer Institute Project" or "project" means the acquisition, construction, improvement, repair, equipping and furnishing of buildings, structures or lands that:

(a) May be constructed or developed in collaboration with other entities;

(b) Are owned, leased or occupied, in whole or in part, by the university; and

(c) Contain facilities used directly for or in furtherance of:

(A) The purposes of health care, cancer-related research, cancer-related clinical care or cancer-related higher education, including clinical laboratory, clinical trial, wet laboratory, research administration or other research-related purposes; and

(B) Any other higher education, administration, research, non-research or ancillary purposes.

SECTION 21. (1) In the biennium beginning July 1, 2013, or in the biennium beginning July 1, 2015, the State Treasurer, at the request of the Oregon Department of Administrative Services, may issue Article XI-G bonds, as provided in this chapter, in an amount not to exceed \$161,490,000 in net proceeds for the purpose of financing the project, plus an amount determined by the State Treasurer to pay estimated bond-related costs.

(2) OHSU Cancer Challenge Article XI-G Bonds are a general obligation of the State of Oregon and must contain a direct promise on behalf of the State of Oregon to pay the principal of, the interest on and the premium, if any, on the OHSU Cancer Challenge Article XI-G Bonds. The State of Oregon shall pledge its full faith and credit and taxing power, including the ad valorem taxing power, to pay the principal of, the interest on and the premium, if any, on the bonds.

(3) The proceeds of bonds issued under this section are appropriated to the State Treasurer for the payment of bond-related costs and for transfer to the department.

(4) The State Treasurer shall transfer net proceeds and interest earnings in an amount equal to \$161,490,000 to the department to be granted to Oregon Health and Science University upon satisfaction of terms and conditions in the grant agreement required by section 22 of this 2014 Act.

SECTION 22. (1) Before the State Treasurer may issue the OHSU Cancer Challenge Article XI-G Bonds:

(a) The Oregon Department of Administrative Services and Oregon Health and Science University must enter into a grant agreement in which the parties:

(A) Establish terms and conditions related to the grant, disbursement and use of \$161,490,000 in net proceeds of the OHSU Cancer Challenge Article XI-G Bonds and interest earnings; and

(B) Provide for granting of \$161,490,000 to the university upon satisfaction of the terms and conditions imposed in the grant agreement.

(b) The department must certify to the State Treasurer that the grant agreement has been entered into between the department and the university and that the university has certified to the department that the university has:

(A) Satisfied all material conditions precedent to its receipt of the matching funds; and

(B) Satisfied all material conditions precedent to its receipt of at least \$800 million in gifts and legally irrevocable pledges.

(2) The terms and conditions of the grant agreement may:

(a) Impose restrictions on the use of the grant.

(b) Require that the \$161,490,000 in bond proceeds be granted directly to a trustee or escrow agent.

(c) Impose other requirements that the department determines are in the best interest of the State of Oregon as necessary to:

(A) Issue, sell or preserve the tax-exempt status, if any, of the OHSU Cancer Challenge Article XI-G Bonds; and

(B) Administer the grant.

(3) The department shall transfer the grant to the university when the department is satisfied that the university has complied, or will comply, with all of the terms and conditions imposed by Article XI-G of the Oregon Constitution, sections 19 to 23 of this 2014 Act and the grant agreement required by this section.

(4) Subject to the approval of the State Treasurer, the department may:

(a) Enter into agreements with a trustee or escrow agent regarding the disbursement and use of the moneys granted to the university; and

(b) Transfer the moneys granted to the university directly to a trustee or escrow agent.

(5) ORS 351.450, 351.455 and 351.460 do not apply to OHSU Cancer Challenge Article XI-G Bonds or to Oregon Health and Science University in connection with the bonds.

SECTION 23. (1) For each biennium in which any part of the OHSU Cancer Challenge Article XI-G Bonds remain outstanding, the Oregon Department of Administrative Services shall request that the Governor include in the Governor's recommended budget to the Legislative Assembly an amount that is sufficient to pay the bond-related costs that become due in the biennium.

(2) The Legislative Assembly shall appropriate to the Oregon Department of Administrative Services any moneys made available to pay bond-related costs.

(3) Oregon Health and Science University is not obligated to pay the bond-related costs of the OHSU Cancer Challenge Article XI-G Bonds.

SECTION 24. The Oregon Health and Science University shall report annually to a committee or interim committee of the Legislative Assembly, as appropriate, with subject matter jurisdiction over economic development, business and industry, regarding the nature and number of new and ongoing jobs created at the university in connection with the operation of the OHSU Cancer Institute.

SECTION 25. Section 24 of this 2014 Act is repealed on January 2, 2024.

SECTION 26. (1) The Oregon Health and Science University and the Oregon Business Development Department shall collaborate to develop a plan that includes but is not limited to policy recommendations and recommendations for legislation, to encourage private sector development in Oregon of technologies related to cancer-related health care, education, research, developments and discoveries provided or made in connection with the operation of the OHSU Cancer Institute.

(2) The university and department shall report to the Legislative Assembly on the plan developed pursuant to subsection (1) of this section to the 2015 regular session of the Legislative Assembly in the manner prescribed by ORS 192.245.

SECTION 27. (1) Notwithstanding the provisions of ORS 279A.025 (2)(a)(B) and 353.100 (2):

(a) For the purposes of this subsection, the Oregon Health and Science University is a public agency, as defined in ORS 279C.800, and the OHSU Cancer Institute Project, as defined in section 20 of this 2014 Act, is a public works, as defined in ORS 279C.800;

(b) The provisions of ORS 279C.800, 279C.810, 279C.825, 279C.827, 279C.829, 279C.830, 279C.835, 279C.836, 279C.838, 279C.840, 279C.845, 279C.850, 279C.855, 279C.860, 279C.865 and 279C.870 apply to any construction, reconstruction, major renovation or painting that the Oregon Health and Science University performs or contracts to perform in connection with the OHSU Cancer Institute Project or that any not-for-profit organization or other entity the university owns exclusively or creates to advance any of the university's statutory missions performs or contracts to perform in connection with the OHSU Cancer Institute Project; and

(c) The provisions of ORS 279C.800, 279C.810, 279C.825, 279C.827, 279C.829, 279C.830, 279C.835, 279C.836, 279C.838, 279C.840, 279C.845, 279C.850, 279C.855, 279C.860, 279C.865 and 279C.870 apply to any construction, reconstruction, major renovation or painting that occurs in connection with the OHSU Cancer Institute Project, with or without using funds of a public agency, on real property that the Oregon Health and Science University owns, or on real property owned by any not-for-profit organization or other entity the university owns exclusively or creates to advance any of the university's statutory missions.

(2) In all contracts for constructing, reconstructing, renovating or painting any improvement to real property in connection with the OHSU Cancer Institute Project, the Oregon Health and Science University shall provide that each contractor shall employ apprentices in apprenticeable occupations to perform work on the OHSU Cancer Institute Project on the same terms, at the same rates of wage and for the same percentage of the total hours worked that the university requires in the university's other contracts for construction services. The university shall provide in the university's contracts for constructing, reconstructing, renovating or painting improvements to real property in connection with the OHSU Cancer Institute Project that each contractor include the requirements set forth in this subsection in the contractor's contracts with subcontractors.

(3) The Oregon Health and Science University shall consult with the Department of Environmental Quality to establish a set of criteria for giving a preference in awarding contracts in connection with the OHSU Cancer Institute Project to contractors that minimize emissions from diesel fuel to the greatest extent possible.

(4) The Oregon Health and Science University may seek Leadership in Energy and Environmental Design certification for any improvement to real property in connection with the OHSU Cancer Institute Project. The university shall pay the costs associated with obtaining a certification from the United States Green Building Council from university funds other than the proceeds of OHSU Cancer Challenge XI-G Bonds, as defined in section 20 of this 2014 Act, or the proceeds of the lottery bonds described in section 12 of this 2014 Act.

(5)(a) On or before each date on which the Legislative Assembly convenes in regular session, the Oregon Health and Science University, in a report to the Legislative Assembly, shall identify the geographical origin of each contractor, subcontractor or other vendor that performs construction work in connection with the OHSU Cancer Institute Project. For

purposes of this subsection, a contractor's, subcontractor's or vendor's geographical origin means the city or county and state in which the contractor, subcontractor or vendor maintains a headquarters or, if the location of the headquarters is not available, the state in which the contractor, subcontractor or vendor is incorporated or the city, county, state or other region in which the contractor, subcontractor or vendor conducts the majority of the contractor's, subcontractor's or vendor's business operations.

(b) The Oregon Health Science University shall continue to report to the Legislative Assembly as provided in paragraph (a) of this subsection until construction on the OHSU Cancer Institute Project is complete or until December 31, 2018, whichever date is later.

SECTION 28. The Oregon Health and Science University shall report to each regular session of the Legislative Assembly, in the manner prescribed by ORS 192.245, the number and geographic distribution of Oregon residents who participated in clinical trials associated with the OHSU Cancer Institute during the previous 12-month period.

SECTION 29. The Oregon Health and Science University shall report to the 2015 regular session of the Legislative Assembly, in the manner prescribed by ORS 192.245, on the potential for increasing patient access to clinical trials associated with the OHSU Cancer Institute in areas of this state outside of the Portland metropolitan area.

SECTION 30. (1) Section 28 of this 2014 Act is repealed on January 2, 2024.

(2) Section 29 of this 2014 Act is repealed on the convening of the 2015 regular session of the Legislative Assembly as specified in ORS 171.010.

SECTION 31. This 2014 Act being necessary for the immediate preservation of the public peace, health and safety, an emergency is declared to exist, and this 2014 Act takes effect on its passage.

Passed by Senate March 7, 2014

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Robert Taylor, Secretary of Senate

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Peter Courtney, President of Senate

Passed by House March 7, 2014

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Tina Kotek, Speaker of House

Received by Governor:

.....M,....., 2014

Approved:

.....M,....., 2014

.....
John Kitzhaber, Governor

Filed in Office of Secretary of State:

.....M,....., 2014

.....
Kate Brown, Secretary of State

AGENCY SUMMARY

Budget Summary

About the Higher Education Coordinating Commission

In 2011, the Oregon Legislature established “40-40-20” as the State’s goal for educational attainment in Oregon, recognizing the importance of higher education as a target for enabling individual opportunity and achieving societal success in an increasingly knowledge-based global economy. The State’s 40-40-20 goal commits to a future in which all Oregonians will complete their education and gain the ability to contribute to our society and economy. The Higher Education Coordinating Commission (HECC) is responsible for overseeing pathways to postsecondary success from the point at which students complete their secondary educations through their learning, training and mastering of skills in college and career training programs.

Oregon enacted significant higher education governance reform in recent years, providing increased autonomy to public universities while establishing the HECC as a statewide postsecondary coordinating and funding commission. Originally chartered by the Legislature in 2011, the HECC coordinates postsecondary education in Oregon for hundreds of thousands of students enrolled in the state’s seven public universities and the Oregon Health & Science University, 17 public community colleges, 67 private colleges and universities, and 220 licensed private career and trade schools.

The HECC is a coordinating entity for students, mindful of the state’s interest in their success as contributing members of society, rather than a governing board responsible for managing the affairs of postsecondary institutions. Beginning on July 1, 2014, the three largest public universities – Oregon State University, Portland State University, and the University of Oregon – previously under the authority of the State Board of Higher Education (SBHE) – became governed by Governor-appointed institutional Boards of Trustees. The technical and regional universities of the Oregon University System – Eastern Oregon University, Oregon Institute of Technology, Southern Oregon University and Western Oregon University – became governed by Governor-appointed institutional Boards of Trustees effective July 1, 2015. Community colleges have seen no changes in their governance structure, and remain under the purview of their locally-elected Boards of Trustees.

The HECC is responsible for strategic goals and investments for postsecondary education, and for advising the Legislature, the Governor, and the Oregon Education Investment Board (OEIB) on higher education policy. The Commission is responsible for consolidated state budget development for public postsecondary education, including Oregon’s 7 universities and 17 community colleges, oversight of the Oregon Department of Community Colleges and Workforce Development (CCWD) and the Office of Student Access & Completion (OSAC), state funding allocations to community colleges and public universities, the distribution model for the state’s need-based financial aid program (the Oregon Opportunity Grant (OOG)), approval of academic programs for public postsecondary institutions, approval of missions for public universities, degree authorization for private postsecondary institutions, and licensure of private career schools. The HECC is a 14-member, volunteer board appointed by the Governor, and supported by an executive director, who oversees CCWD, OSAC and other HECC staff in supporting the Commission’s mission. The HECC includes the Private Career Schools (PCS) office which licenses career schools and provides educational leadership and support to over 235 private career schools in Oregon, and the Office of Degree Authorization (ODA), which is responsible for approval of academic programs for all degree-

granting private postsecondary institutions in the state. The HECC's goal is to build accessible and affordable pathways to opportunity and success for Oregonians, including historically underserved populations that can be sustained by innovative and high-performing public and private institutions of postsecondary education throughout the state. The HECC's Strategic Plan is an action plan toward the State's visionary 40-40-20 goals, focused on four key functions 1) to broaden the pathways to the 40-40-20 goals, 2) to make the pathways accessible, affordable and supportive for students, 3) to steer the higher education enterprise, and 4) to cheer the promotion of college completion and career readiness.

HECC Vision Statement

The HECC will foster and sustain the best, most rewarding pathways to opportunity and success for all Oregonians through an accessible, affordable and coordinated network for educational achievement beyond a high school diploma.

Budget Summary (continued)

HECC 2015-2017 Governor's Recommended Budget

The 2015-17 Governor's Recommended Budget for the HECC reflects prioritization of Oregon students and long-term vision to improve access, affordability, and student success. The Agency Request Budget HECC submitted to the Governor was within the Governor's limitation guidelines of increasing the agency's budget by no more than 20 percent, while recognizing the significant necessity for reinvestment in the State's postsecondary system. The Governor's recommendations are a first step in the plan for a ten-year, stair-stepped budget recommendation that will address the true funding needs of our postsecondary system to achieve the State's 40-40 goals by 2025.

The HECC is responsible for overseeing the critical segments of the pathways to educational success from the point at which students complete their secondary education, to learning, training and mastering skills in college, university, and career training programs. The HECC assumes this responsibility at a time of significant challenges and urgency with respect to postsecondary funding, and in the context of a new governance paradigm, with the leadership of institutional governing boards, the coordination of the HECC and the OEIB, and the budget and policies established by the Legislature pertaining to the State's postsecondary system of education. **The budget described here is designed to align, first and foremost, with the interests of students** and their success in navigating the pathways among and within institutions that provide postsecondary education. The 2015-17 GRB reflects two primary themes in the interest of student success: **affordability and outcomes**.

The HECC proposes an **integrated strategy for affordability**, which includes a significant increase in the investment and a refocus of need-based financial aid, and support for increased institutional funding so that institutions will have the resources to support student success. The growing costs of pursuing a postsecondary education for students and families of low and moderate incomes represent a major and growing barrier to success and completion, and leaves many of those who do so with debts that may constrain their opportunities and burden their finances after graduation. **The HECC has prioritized a significant increase for the Oregon Opportunity Grant (OOG), Oregon's need-based financial aid program, which is severely underfunded to meet student need.** The OOG currently reaches only one of five eligible students and at the current grant levels, and leaves sizable shortfalls for those it does serve. Reducing this gap of unmet need is expected to motivate Oregonians to pursue and complete their postsecondary education and support their efforts to do so, providing a credible path to plan for and afford college. The HECC also recommends use of federal dollars for increased student outreach (i.e. through ASPIRE program) for college planning, to prepare students for successful postsecondary pathways.

The HECC also recommends the State prioritize higher education outcomes, defined by student success and graduation at Oregon's colleges and universities, through increased investment in the Public University Support Fund (PUSF) and Community College Support Fund (CCSF), as well as maintenance of the 2013 tuition-buy down investment into the next biennium as a base. State support for our community colleges and universities has declined by 34 percent on a per student basis over the past five years. As a result, Oregon ranks 47th of the 50 states in state appropriations per student in our public postsecondary institutions [1].

[1] State Higher Education Finance, 2013, SHEO, http://www.sheeo.org/sites/default/files/publications/SHEF_FY13_04292014.pdf

It is important to note that Oregon's postsecondary institutions have experienced years of insufficient state appropriation levels combined with steep and steady enrollment gains, so the 20% limit on the recommended increases to the Legislatively Adopted Budget results in a recommended investment that falls significantly short of actual needs. A long term strategy of reinvestment in institutional funding for its public universities and community colleges is warranted in order to support vital support programs to increase attainment and completion, and reach 40-40-20. The HECC will be proposing this in its upcoming work on a budgeting model that projects the actual costs of meeting the State's goals over a 10-year period.

Demographic trends in Oregon suggest that future students are more likely to be the first in their families to attend college and many require more mentoring, coaching and support services to be successful and achieve their full potential in postsecondary settings. Oregon's community colleges and universities require additional resources to respond to these challenges, while they are focused on efficiencies within and outside of the classroom, such as greater use of online learning, more college credits earned in high schools, accelerated pathways and credit for prior learning, to meet the needs and ensure the success of a new generation of Oregon students.

The cumulative effects of insufficient funding levels have also created a backlog of costs at the institutional level, such as deferred maintenance in buildings and infrastructure. **In addition to affordability and productivity, investment in capacity is critical to student success, and this recommended budget includes prioritizations of capital projects** for the public universities and community colleges.

Achieving the 40-40-20 goals will empower Oregon's people and invigorate its economy. Despite diminishing state support and increasing cost shifts to individuals for the pursuit of postsecondary education, students who complete two year and four year degrees and certificates stand to gain significant benefits in the form of employment and income. Investments in postsecondary access, affordability, and college success will not only prepare Oregonians to prosper in their careers, innovate, and contribute to their communities, but will help to reverse decades of relative decline in personal income in Oregon and establish a virtuous cycle of rising incomes, more revenue to invest in education, a more productive workforce and greater prosperity.

Summary points:

- Debt service is a first obligation of the State and must be assumed (required payments of \$100,378,283 above the 2013-15 LAB);
- The HECC's top strategic priority is for investments in affordability through the expansion of the Oregon Opportunity Grant (OOG), and outreach expansion through ASPIRE (proposed investments of \$26,184,448 above the 2013-15 LAB), as well as continuation of the tuition buy-down investment (included in institutional investment total below).
- The HECC strongly recommends additional institutional investments in outcomes and student success, including investing in the continuation of the 2013-15 tuition buy-down policies plus (proposed investments of \$125,494,744 above the 2013-15 LAB);
- The HECC strongly recommends other investments in policy option packages and agency reconfiguration (proposed investments of \$6,284,560 above the 2013-15 LAB).
- **Total 2015-17 GRB proposed new General Fund/Lottery Fund investment: \$266,535,616 above 2013-15 LAB.**

PRIORITIES for 2015-2017 BUDGET

Priorities

1. Affordability
2. Outcomes: Student Success



AFFORDABILITY

The HECC proposes an integrated strategy for affordability, which includes 1) a significant increase in the investment and strategic refocus of need-based financial aid through the Oregon Opportunity Grant (OOG), 2) increased investment in university and community college support funds, including the Legislature’s 2013-15 tuition buy-down investment, to support institutional efforts to maintain affordability and support student success, and 3) increased student outreach for college planning and financial aid through ASPIRE and other services.

The priorities that have emerged from the actions taken and the ideas referred to the HECC by the Legislature (tuition buy-downs, studies of the concepts of “Pay It Forward” and two free years of community college) put access and affordability in a high priority position for the next biennium’s budget. The HECC proposes to expand and refocus the OOG, restoring a more robust and well-targeted financial aid strategy to make college more affordable for Oregonians. The OOG is Oregon’s only state-funded need-based grant program for resident postsecondary students, and is funded primarily by Oregon taxpayers through State General Fund appropriations. Although successful for the students that are served, because of its limited funding, the current program falls extremely short of meeting the financial need demonstrated by Oregon students, with only about one in five eligible students currently receiving the grant. The goal of this recommendation is to motivate Oregonians to pursue and complete their educations beyond secondary education and support their efforts to do so, providing a credible path for Oregonians to afford postsecondary education. The OOG budget allocation for the 2013-2015 biennium was \$111 million. The benefit to the state economy and citizenry from increased postsecondary educational attainment has been codified by the state’s adoption of the 40-40-20 goals, and the investment in need-based aid for college for Oregonians is critical to reaching these goals.

Recommendations for a redesigned structure and methodology for the OOG were developed by a public Financial Aid Work Group of the HECC over the course of ten public meetings in 2013-14, and this set of recommendations has been modelled with more detail in recent months with campus and other stakeholders, to ensure that the investment of OOG dollars is strategically focused. This Design Team has considered guidelines

and criteria for structural changes to the OOG proposed by the HECC Financial Aid Work Group. The funding levels in the Governor’s Recommended Budget and the design recommendations under consideration would:

- Expand the program by 25.6% to serve approximately 16,000 more Oregon students facing affordability challenges.
- Strategically target the grant to serve students with the highest financial need who demonstrate they are on track with academic progress.
- Improve predictability by funding the program to allow an extended rolling application deadline in lieu of the first-come-first-served approach, allowing students and families better planning options.
- Improve predictability by guaranteeing a second year of aid if academic achievement and academic benchmarks are met.

The HECC also proposes expanding student outreach through the successful ASPIRE program, and expanding outreach to support Free Application for Federal Student Aid (FAFSA) completion to maximize federal Pell Grant dollars.

Recommended New Affordability Investments:

OOG Expansion (POP 131):	\$26,184,448
Continuation of Tuition Buy-Down approved in 13-14	
University Tuition Buy-Down (POP 101):	\$41,095,238
Community College Tuition Buy-Down (POP 101):	\$30,000,000
<u>Total:</u>	<u>\$97,279,686</u>

PRODUCTIVITY: STUDENT SUCCESS

To achieve the State’s 40-40 goals for postsecondary completion, the state must strengthen its institutions to promote and sustain a process of continuous improvement to boost persistence and completion rates of its students. This will require sufficient funding, as well as better use of new funds to create a culture of college going and college completion in the face of demographic trends that will require more attention to strategies that ensure student success. To these ends, the HECC recommends that the State:

- Increase funding for community colleges and universities that boosts the dollars available on a per-student basis above what has been defined in the past as an inflation-adjusted “current service level” (CSL) increase.
- Fully biennialize the Legislature’s 2013-15 tuition buy down policy for the 2015-17 biennium.

The goal of this recommended investment is to enable Oregon’s community colleges and public universities to sustain and improve student retention and completion rates by streamlining student pathways and supporting students in their progress to certificates and degrees.

To do so, and in conjunction with this budget request, the HECC is working with its institutional partners and other stakeholders on changes to the formulas for allocating state resources to community colleges and public universities. The HECC, consistent with its strategic plan and the direction of the Governor and the Oregon Education Investment Board (OEIB), does not believe the current funding allocation model, which relies on inputs, is ideally suited to an environment in which access and completion are necessary for the achievement of the state’s ambitious 40-40-20 goal. Accordingly, the HECC is likely to adopt an approach that begins to shift the basis for funding allocations from enrollment to completion, with extra

weights for underrepresented students and high-cost, high-demand certificates and degrees. These changes will provide state support for institutional investments in student success and will help ensure accountability for the state's investment in higher education.

To be clear, the HECC believes that if the state were simply to reallocate current resources – without making significant new investments in institutional support – the state would not see notable gains in student achievement. The additional institutional investments proposed in this GRB should be understood, therefore, as a down payment on helping institutions to make the changes that will be required to support many more students towards completion, in conjunction with formula changes that help ensure those resources are dedicated to supporting student success. That said, the Agency Request Budget was developed within the parameters established by the Governor's, and does not reflect the HECC's view of the total state resources that would be necessary in order to take a full "stair step" towards the 40-40-20 goal.

Recommended New Institutional Investments:

University Institutional Investments (POP 102):	\$39,405,244
Community College Institutional Investments (POP 111):	\$14,994,262
<u>Total:</u>	<u>\$54,399,506</u>

Tuition Buy-Down:

University Tuition Buy-Down (POP 101):	\$41,095,238
Community College Tuition Buy-Down (POP 101):	\$30,000,000
<u>Total:</u>	<u>\$71,095,238</u>

POLICY OPTION PACKAGES

070

OSAC Revenue Reduction

OSAC coordinates and manages the application process for nearly 500 privately-funded scholarship programs, awarding approximately 3,300 individual scholarships totaling approximately \$18 million per year. The program unit that administers this function has historically been self-sustaining through the collection of administration fees from scholarship donors. Over time, revenues have not kept pace with the inflation of administrative costs and shared agency expenses have landed disproportionately on this program. These items, combined with the loss of a single very large scholarship fund in the coming biennium, has led to the program forecasting insufficient revenue to meet operating expenses. This revenue reduction package recognizes the revenue shortfall, and balances the program through the reduction of three FTE to half time, the elimination of two other full-time positions, and reductions to the Services & Supplies budget. The Scholarship Program supports the HECC goal of making the pathways to higher education more accessible, affordable and supportive for students. Decreased program revenue and staff reduction will result in diminished customer service and donor relations efforts. With the loss of donor clients, further cuts may be required. This package is a partner to Package 214 - OSAC Scholarship Restoration

081

May eBoard

The HECC received \$700,000 in the May 2014 eBoard to contract with OUS for 4/7ths of OUS's research team for the remainder of the 2013-15 biennium. See partner package 303 - Integrated Research & Data Team for 2015-17 position conversion.

100

Transfer to the HECC

Package 100 is a technical package that effectuates the transition of state appropriations for public universities (including the statewides, state programs, and Sports Action Lottery), OHSU, debt service, and OSAC to the HECC's agency budget. These changes are consistent with the HECC's statutory responsibilities (a) for proposing a comprehensive higher education budget; (b) for overseeing funding allocations for public universities and for Oregon Opportunity Grants; and (c) for overseeing the Office of Student Access and Completion. State appropriations for CCWD, including the Community College Support Fund, are included within the HECC's budget via essential budget Package 060.

101

Continue HB5101 Tuition Buy-down into 2015-17

Package 101 carries forward and biennializes HB 5101 "Tuition Buy-Down." HB 5101 was passed during the 2013 special session and provided as a onetime appropriation \$15 million dollars to limit tuition and fee increases at Oregon's community colleges and \$25 million dollars for the same purpose at Oregon's public universities. Package 101 seeks funds to replace and make permanent the allocation provided by the 2013 legislature in order to avoid "catch-up" tuition increases to augment the lost revenue at universities and community colleges. Embedded within Package 101 is a request for \$30 million dollars for the Community College Support Fund and \$41.1 million dollars for the Public University Support Fund.

102

Public University Support Fund

Package 102 proposes additional investments in the Public University Support Fund (PUSF) of \$39,405,244. The PUSF is the primary vehicle by which the State of Oregon provides resources to the public universities who in turn provide access, support and opportunity to succeed in the 21st Century economy to over 70,000 resident students each year. The additional investment in the Public University Support Fund will serve to support the public universities after almost a decade of enrollment growth and significant disinvestment by the state, in absolute terms and on a per student basis. An investment of \$39.4 million dollars will bring estimated funding per resident student up to \$4,918, which, though significantly below the recent peak in 2007-09 of \$6,323, continues the trajectory of reinvestment after the great recession (per student funding includes debt service and state programs). These additional resources serve as a means to ease the transition from an enrollment based allocation model to one focused on access and completion, which will orient and reward universities as they continue to progress in meeting the state's ambitious 40-40-20 goal.

Pending Technical Adjustment to PUSF

The Governor's Office has issued a technical adjustment of the PUSF as published, reducing the fund by \$4,770,459, to a total of \$588,957,868.

111

Community College Support Fund

State General Fund support for community colleges provides investment in a range of educational activities, including associate degrees, transferable postsecondary undergraduate coursework, career and technical education, pre-college, adult basic education,

literacy, and local workforce training. These activities not only serve the “middle 40,” but include services to Oregonians at large. For example, community colleges provide additional pathways to achieve a high school credential for those lacking a diploma. In addition, community colleges provide a more viable path to achieving a bachelor’s degree for students who might otherwise not be able to afford tuition or may not have the educational skillset to directly enter a four year postsecondary institution. Community college activities directly impact all three aspects of Oregon’s 40/40/20 educational goal.

Package 111 proposes a \$15 million increase to the support fund. While this funding level remains significantly below the peak of 2007-09, it would continue the trajectory of reinvestment after the Great Recession. These additional resources will serve as a means to ease the transition from an enrollment-based allocation model to one focused on access and completion, which will orient and reward colleges as they continue to progress in meeting the state’s ambitious goals for student success.

131

OSAC Opportunity Grant Expansion

As Oregon's only state-funded need-based grant program, the Oregon Opportunity Grant has been the primary tool to ensure Oregon students of all income levels can consider higher education. With retooling to make these student-focused grants more predictable, equitable, and meaningful, the OOG supports the HECC goal of making the pathways to higher education more accessible, affordable and supportive for students.

Package 131 proposes a significant expansion to the OOG as well as a modest amount of funding to provide for modifications to the OSAC database in support of proposed changes. At the funding level proposed by Package 131, HECC modeling indicates how the state could strategically focus these funds to improve affordability and predictability of financial aid so that Oregonians can successfully access and complete their post-secondary educations. Any modifications to the OOG-awarding process that the HECC adopts in conjunction with Package 131 would be the result of significant consultation with institutional stakeholders, students, and legislators. Modifications under consideration include:

- Expand the program by 25.6% to serve approximately 16,000 more Oregon students facing affordability challenges.
- Strategically target the grant to serve students with the highest financial need who demonstrate they are on track with academic progress.
- Improve predictability by funding the program to allow an extended rolling application deadline in lieu of the first-come-first-served approach, allowing students and families better planning options.
- Improve predictability by guaranteeing a second year of aid if academic achievement and academic benchmarks are met.

090

Analyst Adjustments

Package 090 recommends adjustments from the CFO Analyst. These include the following:

- ETIC and Industry Partnership funds are transferred from OEIB, which represent 80% of the total for those programs. ETIC funding is reduced by 10 percent from CSL and the remaining funding is transferred to the Public University State Programs SCR.
- The focus of the CCWD Deputy Director is shifted entirely on workforce activities.
- CCWD Debt service on \$123.4 million in unsold Article XI-G bond projects is reduced by \$9.6 million in anticipation of many of the college not obtaining their constitutionally required match before the end of the 2015-17 biennium. The budget includes \$10.2 million in debt service for these projects.

- Funding for the Sports Action Lottery program is eliminated and the package transfers the Lottery Funds to the Oregon Opportunity Grant program to fund need-based scholarships. The package is dependent on elimination or suspension of the Sports Action Lottery program which, by statute, receives one percent of net Lottery proceeds. The package has been adjusted based on the December 2014 revenue forecast of \$10,827,615.
- OHSU Debt service on bonds to be sold for the Knight Cancer Center is reduced due to replacement of Lottery Bonds with Article XI-G bonds and delay of the Article XI-G bond sale until approximately February 2016.
- Lottery Funds currently allocated to the Sports Action Lottery program support intercollegiate athletics and scholarships at the seven public universities is redirected to the Opportunity Grant Program. Other Funds are increased by \$1,100,000 to use JOBS Plus revenues that are statutorily available for Opportunity Grants. General Fund is reduced by the same amount. The package reflects the December 2014 Lottery revenue forecast for the Sports Action Lottery amount of \$10,827,615.

151

Community Innovation Center

Over the past four years, the Governor and Legislature have developed community-based partnerships that are poised to engage and integrate public, private and civic sectors in a robust way. These regional efforts in health (Coordinated Care Organizations), early education (Early Learning Hubs), education (Regional Achievement Collaboratives), workforce (Workforce Investment Boards) and economic development (Regional Solutions Advisory Committees) are built to expand our capacity to address complex problems and take action on the ground to improve outcomes and reduce disparities. To ensure that the communities and our state agencies have access to best practices, technical assistance and support for continuous improvement, this package proposes the creation of the Center for Community Innovation. This small unit within the HECC would: leverage and connect state resources with private, philanthropic and civic resources; help good ideas travel faster, disseminating what works through networks; work to remove barriers to transformation at the state level; engage diverse communities and stakeholders; support state agencies in transforming organizational structures, processes and policies to serve as effective partners to communities; provide a state backbone for technical assistance, support and resources; and connect regions to state data & analytic capacity.

152

Community Incentive Fund/Community Leverage Fund

Over the past four years, the Governor and Legislature have developed community-based partnerships that are poised to engage and integrate public, private and civic sectors in a robust way. To accelerate on-the-ground action and leverage public, private and civic resources, this package includes a \$25 million investment in a Community Leverage Fund. A minimum of \$2 million will be set aside for each of the eleven economic development regions of the state, regardless of size, to be distributed to a partnership consisting of at least two of the following: CCO, early learning hub, regional achievement collaborative, workforce investment board, or regional solutions advisory committee. The Community Leverage Fund will allow communities to launch projects that address multiple outcomes in health, early learning, workforce and economic development, as well as education.

201

CCWD Youth Employment

Oregon's competitiveness is fundamentally linked to the availability of a skilled workforce. However, Oregon continues to face a visible economic crisis and a silent one—thousands of youth are not finding opportunities to develop the academic and job skills they must have in order to succeed in today's global economy. Oregon's job recovery from the Great Recession has largely overlooked

younger workers. Unemployment rates for youth grew drastically during the recession, have not returned to previous levels and the length of time young people spend unemployed has increased significantly.

CCWD will collaborate with the local workforce investment boards to create and operate the program to provide meaningful work experience and workforce training for persons between the ages of 14 and 24. Program participants will be provided with case management and support services, and local boards will ensure that collected data will allow for the identification and dissemination of the most promising practices.

202

CCWD Incumbent Worker Training

Revitalizing and invigorating the Oregon economy is a high priority. To facilitate economic recovery and to keep Oregon's industries productive and competitive for Oregonians, we must ensure that a skilled workforce is available to existing businesses. Further, Oregonians require access to education and training that will keep them prepared for the jobs of the future.

"Middle-skill jobs", which require more than a high school diploma but less than a four-year degree, currently comprise the largest segment of jobs in Oregon's economy, and will continue to do so for years to come. A collaborative approach is needed to achieve the state's goals for high school and postsecondary completion, to advance the skillsets of our workforce, and to develop, recruit and retain businesses.

Oregon must create a coherent and responsive workforce development strategy that is linked to economic development efforts. The state needs to better analyze and enhance the return on our investments in workforce programs meant to allow workers to compete for newly created jobs or jobs requiring enhanced skills to increase productivity and wages, and to reduce the need for public assistance. This workforce development strategy must ensure that public and private sector investments are leveraged for the greatest impact and that training programs are responsive to the needs of business, industry, and the workers.

203

Restructuring On-going Workforce Initiatives

This package restructures \$10.9 million General Fund approved in the 2011-13 and 2013-15 Legislatively Approved Budget for a variety of workforce programs to reflect current needs. The package shifts \$100,000 from Professional Services to Special Payments. It includes the following programmatic changes:

- Increases funding for the Work Ready Communities program, which includes National Career Readiness Certificates (NCRC), from \$750,000 to \$1,000,000
- Provides \$2.5 million to local workforce investment boards to lead local sector strategies and other efforts to increase community and industry competitiveness
- Provides \$1 million for technical assistance to local workforce areas
- Allocates \$400,000 for identification and dissemination of best practices among local workforce investment boards

- Reduces funding for Back to Work Oregon on-the-job training and NCRC programs included in the 2011-13 and 2013-15 budgets from \$6.2 million to \$5 million
- Eliminates a separate \$1.5 million NCRC allocation
- Eliminates a separate \$1.5 million Supporting Sector Strategies program

209 Community College Capital Construction (not funded in Governor's Recommended Budget)

This package reflects the community colleges, by college prioritized request, for deferred maintenance projects from Lottery Bonds. During the downturn, to hold tuition constant while receiving fewer state resources, colleges deferred maintenance and implemented additional cost saving measures resulting in a large backlog of maintenance needs that are now becoming critical. Projects range from upgrade/replacement of HVAC systems, energy efficiency upgrades, safety and security upgrades, seismic upgrades, roof repair and replacements to ADA remodels (typically access and restrooms) and parking lot resurfacing. Projects vary greatly in scope from a few thousand dollars to over a million dollars.

211 OSAC ASPIRE Support Funds (not funded in General Fund, but partially restored with federal dollars in Governor's Recommended Budget)

ASPIRE's main focus is to create a college-going culture in Oregon by: 1) providing one-on-one and group mentoring and resources to students and their families to gain increased access to postsecondary education and training, 2) providing training resources and consultation for building sustainable community-based volunteer mentoring programs, and 3) increasing the number of Oregon students seeking and receiving scholarships and other financial aid. As an all-comers program, the ASPIRE mentors foster a culture of education by mentoring students who largely lack confidence that education and training beyond high school are within reach. While the 2013 Legislature funded staff positions, this package would add the associated S&S funding that was not included in the 2013-15 General Fund. This would provide the necessary S&S materials and resources to support the 145 existing ASPIRE sites.

212 OSAC ASPIRE Expansion (not funded in General Fund, but partially restored with federal dollars in Governor's Recommended Budget)

ASPIRE provides postsecondary education and training information to Oregon middle, high, and college students and directly links to Oregon's 40-40-20 goal by supporting college-going cultures in the communities it serves. The ASPIRE volunteers foster a culture of education by mentoring many students who lacked belief that education and training beyond high school was possible. ASPIRE supports a statewide education system that includes middle schools, high schools, CBOs, community colleges, and connects colleges and universities with ASPIRE sites and students, helping bridge the gap between high school and college to create a continuum of a college-going culture. This funding support through the anticipated federal College Access Challenge Grant would allow ASPIRE to expand in the second year of the biennium from 145 to 200 sites; provide one-on-one and group mentoring to 12,956 students, provide college and career readiness information 124,138 students (duplicated headcount) through drop-in hours, classroom presentations, assemblies, and college events; and engage 2,069 volunteers.

213 OSAC Student Outreach (FAFSA) (*not funded in General Fund, but partially restored with federal dollars in Governor's Recommended Budget*)

Many prospective students don't consider postsecondary education as a financial possibility, simply because they're unaware of available financial aid. Likewise, many current students are exhausting their own resources to further their education when they are eligible for federal or state aid. By putting in place statewide education efforts and local events to promote the completion of the Free Application for Federal Student Aid (FAFSA), OSAC believes they can increase the number of students that consider postsecondary education affordable, and grow the utilization of federal financial aid by those qualified. These efforts support the HECC goal of making the pathways to higher education more accessible, affordable and supportive for students. With investment in this program, we anticipate increasing FAFSA completions at participating schools by 10-20% in the first year.

214 OSAC Restoration Package

OSAC coordinates and manages the application process for nearly 500 privately-funded scholarship programs, awarding approximately 3,300 individual scholarships totaling approximately \$18 million per year. The program unit that administers this function has historically been self-sustaining through the collection of administration fees from scholarship donors. Over time, revenues have not kept pace with the inflation of administrative costs and shared agency expenses have landed disproportionately on this program. These items, combined with the loss of a single very large scholarship fund in the coming biennium, has led to the program forecasting insufficient revenue to meet operating expenses. A revenue reduction package would balance the program through the reduction of 3.5 FTE and reductions to the S&S budget. This restoration package would restore those positions by reallocating some shared costs that have been budgeted disproportionately in this program to a more equitable and defensible allocation. The Scholarship Program supports the HECC goal of making higher education pathways more accessible, affordable and supportive for students. Restoring these positions and reallocating costs would allow OSAC to continue providing excellent customer service and retain positive donor relation efforts through equitable cost-sharing of agency expenses. This package is a partner to Package 070 – Revenue Reduction.

231 ETIC Reconfiguration

The Engineering and Technology Industry Council (ETIC) is composed of senior executives from high technology firms and senior academic leaders from Oregon's public universities. Since its 1997 inception, the legislature has provided funds to the council for investment in academic programs in order to enlarge the pool of talent available to high technology firms, enhance faculty and program capacity in graduate and professional education to further develop the current pool of talent and create educational opportunities in the engineering disciplines. The Council has proposed splitting its funding into two separate sections: 1) 80% of its historical allocation to sustain and continue the gains ETIC has already achieved. This portion would move to the HECC, and 2) 20% "renewable" funds to be actively managed to respond to emergent needs and innovative programs. Package 231 is a technical adjustment that complements Package 021, in order to shift, in total, 80% of ETIC's historic funding from the OEIB to the HECC. ETIC "sustainable" funds would be allocated to universities through an outcomes-based funding model, currently being negotiated by the Council and their university partners.

301

HECC Management Streamlining and Organizational Needs

The combining of OSAC, CCWD, and the HECC into one mid-size agency creates the opportunity (where practical) to co-locate and bring services in-house. This would facilitate a full service IT section, budget shop, accounting unit, payroll staff, and human resources section that would provide efficiencies, stability and consistency across the enterprise. This package adds an HR professional, a mid-level budget professional, and a Help Desk staff person to meet broad agency needs. These costs are largely offset by the savings realized from no longer retaining DAS client services for HR, Payroll, and Accounting and Budget. The package also redirects resources for contract Internal Audit services.

302

DA/PCS Integrating Program Approvals & Reviews *(not funded in Governor's Recommended Budget)*

This would restore and enhance the quality of monitoring efforts and effective steering of educational systems. The staffing allocation would reduce high program/school to FTE workloads allowing staff to be more timely and proactive in monitoring and evaluating private postsecondary programs. It would additionally adjust duties and assignments as the HECC assumes new responsibilities as a result of implementation of the State Authorization Reciprocity Agreement (SARA). Reducing individual staff workload and increasing integration across the current ODA/PCS units would result in increased site visits, proactive coaching and guidance (steering) to schools and improving the quality of programs and delivering performance results for Oregonians' as measured by the increase in quality degrees awarded and the number of offerings available in support of Oregon's 40-40-20 goals. This would restore a limited duration position currently funded by general funds and transforms it as a program analyst enhancing the unit's ability to monitor schools, provide technical assistance and increase compliance.

303

Integrated Research & Data Team

CCWD has 4 research staff in their base budget. The HECC received \$700,000 in the May 2014 eBoard to contract with OUS for 4/7ths of OUS's research team for the remainder of the 2013-15 biennium (Package 081 May eBoard). The \$700,000 rolls forward into 2015-17 as \$1,400,000. This package (a) converts the \$1.4 million into 5 research positions with associated S&S, and (b) combines the existing CCWD research staff and the new OUS focused research staff into an integrated research team that would be responsible for managing the state's higher education data (received from institutions) and responding to research requests from campuses, the HECC, the Legislature, and others.

304

Postsecondary Association Memberships

The HECC is newly responsible for maintaining the State's membership in national organizations that provide important benefits for policymakers, institutions, and students. More than 80 percent of this \$381,317 package would cover dues associated with Oregon's membership in the Western Interstate Commission on Higher Education (WICHE). Historically, this cost has been borne by the Oregon University System. Through WICHE's Western Undergraduate Exchange, Oregon students may receive reduced tuition rates at participating two and four-year colleges in other WICHE states, with reciprocal benefits to out-of-state students enrolling in Oregon. WICHE's Internet Course Exchange (ICE) enables Oregon students to seamlessly access high-quality online courses and programs offered by other ICE member institutions. Additional funding in this package is provided for dues associated with Oregon's membership in the Education Commission of the States (ECS) and the State Higher Education Executive Officers Association

(SHEEO). These organizations provide policy tools and resources to legislators, legislative staff, members of state boards/commissions, and agency staff.

311

CCWD Work Reconciliation

Over the last few biennia, the mix of work and the programs that have a greater focus have changed. During the Great Recession, CCWD was funded for and reallocated resources to workforce development and initiatives at a time of very high unemployment. In 2013-15 CCWD is focused on 40-40-20 goals, student success initiatives, outcomes-based funding, and community college data gathering and analysis work to better inform decisions going forward. In 2013-15 CCWD has funding for 8.65 FTE of General Fund work, yet is performing over 13 FTE of General Fund work. As a result, CCWD requested a General Fund appropriation in the February 2014 Session to reflect this change. This mix of work will continue forward into the future and this package reflects this reality by increasing the General Fund ratio to 13.45 FTE of 58.70 total FTE instead of the current 8.65 FTE of 58.70 total FTE.

312

CCWD Staffing Gap (*not funded in Governor's Recommended Budget*)

CCWD is requesting three new general funded Education Specialist 2 positions and increasing an existing 0.7 FTE position full time to meet the current workload demands of the community college team. These positions will focus on working with the community colleges to develop and implement policy related to community college priorities for student success. These include Career Pathways; work based learning, student success initiatives, STEM, Joint Boards Articulation Commission, distance learning and the FTE Audit. This work is a mixture of current policy implementation, statute and administrative rule requirements, federal program requirements as well as supporting the ongoing work of stakeholder groups by providing technical assistance and policy advice. These positions support the HECC vision and strategic plan as well as the achievement of the 40-40-20 goals.

313

OSAC IT Needs

As the federally-designated repository for Oregon resident FAFSA data (Free Application for Federal Student Aid), the managing authority for the Oregon Opportunity Grant, and the administrator of nearly 500 privately-funded scholarships, OSAC handles sensitive student data from hundreds of thousands of Oregon residents annually. To perform this work, OSAC relies heavily on a robust, secure, and reliable Information Technology (IT) infrastructure. This package requests a small increase in base funding to enable maintaining equipment replacement on an industry-recognized lifecycle plan. It also includes a relatively modest one-time allocation to purchase needed disaster recovery hardware and maintain student privacy and security in the event of a disaster. Lastly, this package requests a one-time capital expenditure to fund the replacement of the agency's aging and unstable Financial Aid Management System (FAMS); a business case for this purchase is under development. The FAMS will also be a critical component in linking OSAC's student records to the proposed State Longitudinal Database. Together, these individual requests would meet the current and ongoing OSAC IT needs for the next 7-10 years. By supporting all of OSAC's direct programs, the IT unit supports the HECC goal of making the pathways to higher education more accessible, affordable and supportive for students.

HIGHER EDUCATION CAPACITY

Capital investments in the sustainability and capacity of Oregon’s postsecondary institutions are critical to student success. The Governor’s Recommended Budget includes 14 new capital construction projects at all seven public universities totaling \$322.5M in general obligation bond proceeds. Thirteen of these projects, totaling \$275.5M are funded with Article XI-G and Article XI-Q bonds repaid by the General Funds. Projects include capital renewal, code and safety at all campuses as well as: EOU’s Hunt Hall Demolition & Site Restoration; OIT’s Bovin Hall Modernization and Center for Excellence in Engineering & Technology Pre-Development; OSU’s Forest Science Complex and Marine Studies Campus Phase I; PSU’s Broadway Housing Purchase and Neuberger Hall Deferred Maintenance & Renovation; SOU’s Britt Hall Renovation; UO’s Chapman Hall Renovation, College and Careers Building, Klamath Hall Renovation 6, and Learning & Innovation Hub - School of Architecture & Allied Arts; and WOU’s Natural Sciences Building Renovation. A technical adjustment will be submitted to combine the two OIT projects into Phase I of the Center for Excellence in Engineering and Technology, a more efficient use of state investment and meeting the critical need for engineering space on OIT’s Klamath Falls campus.

In addition to proposals for new capital requests, the State is responsible for incremental debt service at the levels below for previously funded capital projects.

Incremental Debt Service:

University Debt Service	\$46,632,721
Community College Debt Service	\$23,054,959
Oregon Health & Sciences University Debt Service	\$30,027,059
<u>Total</u>	<u>\$99,714,739</u>

AGENCY INTEGRATION AND ALIGNMENT

The HECC proposes to organize and align state agency staff under the HECC for financial aid and student access (OSAC), community colleges and workforce (CCWD), private postsecondary (ODA/PCS/), and public university support. The recommended budget creates integrated units for research, data, and operations, and streamlines management and reporting.

Criteria for Budget Development

The HECC relied on input from a variety of state and local agencies and partners when developing the agency budget. The budget advances:

The goal of 40-40-20 by 2025

The HECC Strategic Plan, April 2014

The Governor's Ten-Year Budget goals for Education

The Governor's Ten-Year Budget goals for Jobs and the Economy

The OEIB Achievement Compacts

The Oregon Workforce Investment Board Strategic Plan

The State Board of Education's Goals

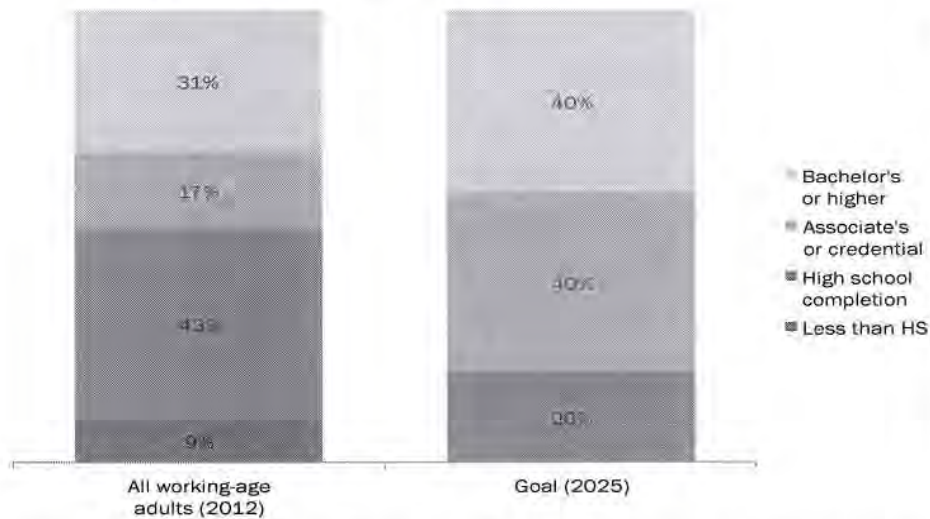
The 40-40-20 Goal

Recognizing the urgency to improve educational attainment for its residents, Oregon has committed not only to improving, but to becoming one of the best-educated populations in the world. In 2011, the Oregon Legislature adopted an ambitious goal to ensure that by 2025:

- 40 percent of adult Oregonians have earned a bachelor's degree or higher.
- 40 percent of adult Oregonians have earned an associate's degree or postsecondary credential as their highest level of educational attainment.
- 20 percent of all adult Oregonians have earned at least a high school diploma, an extended or modified high school diploma, or the equivalent of a high school diploma as their highest level of educational attainment.

The goal, known as “the 40-40-20 Goal,” has become shorthand for the efforts of the Legislature, Governor, the OEIB, and other state education boards, commissions, and agencies to significantly improve the education achievement levels and prosperity of Oregonians by 2025. The 40-40-20 Goal intends to provide a clear target – a “North Star” aligned with Oregonians’ economic, civic, and social aspirations -- against which to generally gauge the State’s educational progress. The HECC, the OEIB, and the Governor are united in the belief that in order for the 40-40-20 Goal to be meaningful, it must be accompanied by the clear understanding that increased levels of attainment of diplomas, degrees and certificates must be achieved equitably, with Oregon’s diversity – of race, ethnicity, gender, home language, socioeconomic status and geography – equally well-represented in each stage. Table 1 displays current educational attainment rates of Oregon adults, compared against the attainment goals of 40-40-20.

CURRENT EDUCATIONAL ATTAINMENT OF OREGON ADULTS, VERSUS THE 40/40/20 GOAL



Note: Working-age adults are 25-64 years old. The high school completion group includes people who self-report to have some college but no degree; the number of individuals in this group with certificates or credentials is unknown. Source: ECONorthwest analysis of data from the American Community Survey (2012), the Oregon Department of Education, the National Student Clearinghouse, and Oregon

10-Year Plan for Oregon: Jobs and Innovation Outcome Area

10-Year Goal: Oregon has a diverse and dynamic economy that provides jobs and prosperity for all Oregonians.

10-Year Plan for Oregon: Education Outcome Area

The Governor’s Education Policy Vision outlined in his 10-Year Plan for Oregon emphasized the need for Oregonians to commit to a shared sense of responsibility for moving Oregon students along their educational pathway to lifelong learning, rewarding work and engaged citizenship.

10-Year Goal: Every Oregonian has the knowledge, skills, and credentials to succeed in life.

10-Year Plan Strategies:

- Align funding, outcomes, and education strategies across the entire continuum of a child’s development — from birth to k-12 to postsecondary education and training.
- Streamline early childhood services and invest in Oregon kids from an early age so they are set up to succeed before they enter kindergarten.
- Use early screening to identify and help students who need it most.
- Create an aligned set of learning standards, assessment tools, and support systems for all students.
- Create the longitudinal data system that supports assessment and achievement from kindergarten to college.
- Make college more affordable and accessible for all low- and middle-income students.
- Replicate successful programs and practices being used in our top schools across the state.
- Revamp workforce training to better align with employer needs.
- Promote Science, Technology, Engineering, Arts and Math (STEAM) programs.
- Provide students – particularly underserved students and their families – with monitoring and support to ensure they’re on-track for high school graduation and the realization of their postsecondary aspirations.
- Provide resources to educators to increase educator effectiveness and diversity through better training, mentorship, and professional development.

- Promote parent and family involvement in their children’s success.
- Make a strategic investment in a campaign to help schools, families, and community partners ensure that all children are reading at grade level by third grade.

OEIB Strategies and Objectives

The HECC budget requests is guided by the priorities established by the OEIB, created in 2011 for the purpose of overseeing a unified system of public education from birth to college & career (Senate Bill 909). The legislation specifically charged the OEIB with recommending strategic investments “targeted to achieve the education outcomes established for the state.” Based on these statutory charges, the OEIB developed a strategic plan aimed at ensuring the state reaches the 40-40-20 Goal. The OEIB’s vision statement is:

“To advise and support the building, implementation and investment in a unified public education system in Oregon that meets the diverse learning needs of every pre-K through postsecondary student and provides boundless opportunities that support success; ensuring a 100 percent high school graduation rate by 2025 and reaching the 40- 40-20 goal.”

The OEIB’s 2013 strategic plan outlined five categories of work:

- Connections between labor and economy: Define and create pathways for students to be connected to jobs today and in the future
- Career training/college-going culture: Raise expectations for all students for postsecondary achievement
- Communities for healthy children: Reconstruct service delivery model of health, education, and family support
- Family support of learning: Educate and empower families to engage, intervene, and demand outcomes
- Academic preparation and civic-mindedness: Provide academic rigor, promote civic knowledge, and intentionally link outcomes with investments

The plan further identified the following objectives:

1. Complete the design and implement the P-20 structure
2. Design and implement high- impact, cost-effective initiatives that improve achievement of all students
3. Assess, write, and respond to policies needed to accomplish student achievement initiatives and to create the “tight/loose” direction of Oregon Learns
4. Create an outcomes-based budget, aligned to initiatives
5. Work to build an informed, motivated, and engaged public

These strategies are aimed at transforming – rather than simply adjusting – the state’s education system. The strategies represent, for the student, a promise of educational excellence at all levels; for the educator, an invitation to lead and commitment to improving student achievement; for the taxpayer, a return on investment; and to parents, community leaders, employers, policymakers, and educational organizations, a new partnership to strengthen education for every student across Oregon.

Oregon Workforce Investment Board Strategic Goals

The goals of the Oregon Workforce Investment Board, as defined by their Strategic Plan 2012-2022 are as follows:

- Oregonians have the skills they need to fill current and emerging high-wage, high-demand jobs.
- Employers have the skilled workforce they need to remain competitive and contribute to local prosperity.
- The workforce system is aligned, provides integrated services, and makes efficient and effective use of resources to achieve better outcomes for businesses and job seekers.

State Board of Education Goals

1. Clarify and enhance learning standards for teenage years to guide middle and high school improvement.
2. Align proficiencies and degrees between secondary and postsecondary education.
3. Adopt and implement strategic leadership and communication plan with stakeholders.
4. Define and implement a performance and accountability system for Oregon K-12 education.
5. Postsecondary Education and Economic Prosperity

HECC's Four Strategic Functions (from HECC Strategic Plan, 2014)

The HECC completed a Strategic Plan in April, 2014. In exercising its responsibilities, the HECC identified four distinct functions by which to organize work, support the OEIB, advise the Governor and the Legislative Assembly, implement their directives and work with the state's educational institutions, students and community partners. These four functions as are characterized as follows:

- Broadening and improving the pathways to our 40-40 goals;
- Making these pathways accessible, affordable and supportive for all students;
- “Steering” the enterprise of institutions that provide postsecondary education to accelerate progress for our students and the state; and
- “Cheering” the participation of Oregonians in a culture of educational aspiration, college completion and career readiness to create a self-sustaining cycle of individual opportunity, educational attainment, civic pride and economic accomplishment.

Broaden the pathways to our 40-40 goals

The HECC is drafting the State's blueprints and prospectus for building and sustaining pathways to educational success beyond high school and to keep the state on track to the State's 40-40 goals for the completion of postsecondary certificates and college degrees. Multiple drafts of these plans will be developed as they orient efforts to achieve Oregon's college completion and career readiness goals in the seven State budget periods remaining until the benchmark year of 2025.

The HECC will encourage increased efficiency and a “more-smarter-faster” approach to achieving Oregon's 40-40-20 goals. More students moving more efficiently along better-organized pathways that lead to faster completion of certificates and degrees will raise the “return on investment” for both students and the state. Better use of resources promotes “smarter” practices, such as the use of articulation agreements and transfers among institutions. The HECC also recognizes that more resources will be needed to achieve the “more.” As Oregon seeks to broaden educational pathways

to serve more students, HECC will seek to secure appropriate commitments of State resources for both human and physical capital and to promote better coordination with private providers.

Lastly, it is important to recognize that each of Oregon's postsecondary institutions contribute to the state's economy and their educational mission through the creation of new knowledge and the application of that knowledge to industry. Thus, research and public services are an important component of the State's postsecondary infrastructure.

Make the pathways accessible, affordable and supportive for students

Students and their families now bear the heaviest financial burdens for pursuing an education beyond high school, far in excess of the commitment required of taxpayers to achieve our State's education goals. After decades of decline in taxpayer support for public colleges and universities, and with annual real tuition rates increasing four times more quickly than most household incomes, the idea of working one's way through college has gone by the wayside. Working while attending school is now only one of many financing strategies that often also involve drawing down family assets, when they are available, and incurring loan debt. Viewed in purely financial terms, for many a college degree remains a compelling investment in future earnings power. But future returns can vary widely, depending on the cost of a program and the prospects for remuneration thereafter. It is worth keeping in mind that, even if today's level of tuition and fees remains constant, the financial trajectories to the State's 40-40 goals constructed to date assume that students and their families will continue to pay the largest share of the cost of education beyond high school. The ability of students and their families to sustain their contribution to the achievement of our 40-40 goals may be even more problematic than the ability of the State to increase its financial support for postsecondary education.

Mindful of these challenges, the HECC will apply its institutional "steering" function (described in the following section) to accelerate student progress and straighten pathways to certificates and degrees. It will investigate how to best help students navigate the increasingly complex array of educational choices that confront them. It is our collective responsibility to provide information to students so that they can make informed decisions about the programs they choose to fit their personal goals and understand the utility of credentials they may pursue.

"Steer" the higher education enterprise

Despite decades of disinvestment by the state in postsecondary education, community colleges and universities have managed to serve more students and produce more degrees. Much of this achievement has come at the expense of student and family budgets. But gains in efficiency, as evidenced by the expansion of online learning, have contributed to this pattern of "achievement in spite of disinvestment" in ways that offer great potential for the future. Offsetting these gains, it is also clear that reductions in full-time faculty and reductions in student support services necessitated by budget reductions have constrained the ability of institutions to make more progress on student persistence and graduation rates.

It is our collective responsibility to challenge and support our public institutions to meet the needs of students and the State with cost-effective, high-quality programs of training, study and research. This will require a "tight-loose" relationship with institutions whose governing boards bear primary responsibility for the delivery of postsecondary education. The HECC envisions a concerted effort with the State's community colleges and universities to move from the old era of "achievement in spite of disinvestment" to a new era of "greater achievement in response to reinvestment," beginning with the funding increases provided by the Legislature in the last biennium. To do so, each entity will have to take advantage of

technological innovations in education delivery, address the needs of our economy and society and respond to the financial constraints that confront Oregon's working families. Consistent with its commitment to access, affordability and student success, the HECC will work to clarify and align standards for learning outcomes that can accelerate students' progress to certificates and degrees.

“Cheer” the promotion of college completion and career readiness.

The HECC's “cheering” roles including engagement of Oregon communities to create a culture of college aspiration, and support of initiatives to meet the needs of first-time college students and under-represented populations. While the HECC recognizes increasing success in college completion and strong career readiness efforts, Oregon needs to do more to prepare a workforce to fill high-skill, high-wage jobs. Failure to do so shortchanges Oregonians' participation in the world of work and forces employers in Oregon industries to import college-educated talent from outside the State. In addition, the Latino and other minority communities, which have had low rates of participation in postsecondary education, represent the fastest growing populations of students in Oregon. These realities challenge Oregon to create a culture of college aspiration to achieve the 40-40-20 goals that can create a self-sustaining cycle of individual opportunity, educational attainment, civic pride and economic accomplishment.

Investment toward 40-40-20

The greatest challenge to any realistic plan for the achievement of our postsecondary goals is lack of resources. “Smarter” and “faster” can only take postsecondary education so far. There is no dearth of best practices and compelling ideas for expanding access and improving student success. And there is great potential for achieving new efficiencies and economies of scale in online learning. But all of these initiatives will require additional resources, as will the infrastructure of our institutions and the capacity of their faculty and staff to meet the demands for postsecondary education that the HECC intends to create and sustain.

State support for its community colleges and universities has declined, while enrollment has significantly climbed, intensifying reliance on tuition to cover costs and keep up with demand. A long term strategy of reinvestment in institutional funding for its public universities and community colleges is warranted in order to support vital support programs to increase attainment and completion, and reach 40-40-20.

Mission Statements and Statutory Authority

Higher Education Coordinating Commission

Mission Statement

The Higher Education Coordinating Commission has adopted as its mission the achievement of the state's statutory target of having 40 percent of adult Oregonians with a four-year degree or better and another 40 percent with a two-year degree or postsecondary certificate by the year 2025.

Statutory Authority

Oregon Revised Statute (ORS):

- ORS Chapter 351.715 through 351.751 Higher Education Coordinating Commission Generally
- ORS Chapter 337.521 Instructional Materials
- ORS Chapter 340.310 Dual Credit Programs
- ORS Chapter 341.430 Transfer Student Bill of Rights and Responsibilities
- ORS Chapter 345.020 Operation of Career Schools
- ORS Chapter 348.603 Degree Authorization

Oregon Administrative Rule (OAR):

- OAR 583 Office of Degree Authorization
- OAR 715 Higher Education Coordinating Commission

(CCWD) Oregon Revised Statute:

- ORS Chapter 326 State Administration of Education
- ORS Chapter 341 Community Colleges
- ORS Chapter 285 (Former Provisions) Economic Development

Oregon Administrative Rule:

- OAR 151 Education and Workforce Policy
 - Division 10 Workforce Investment Act Program
 - Division 20 Administration of Statewide and Local Workforce Investment Systems

- OAR 581 Oregon Department of Education
 - Division 40 Method of Awarding Competitive Grants

OAR 589 Department of Community Colleges and Workforce Development

- Division 2 Community College Funding
- Division 3 Community College Capital Projects
- Division 4 Student Records
- Division 5 Community College Formation and Annexation
- Division 6 Community College Course Approval
- Division 7 Community College Programs
- Division 8 Community College Personnel Policies
- Division 9 Student Measles Immunization
- Division 10 Discrimination Prohibited
- Division 20 Workforce Investment Act

(ODA) Oregon Revised Statute:

- ORS Chapter 348.603 Degree Authorization

Oregon Administrative Rule:

- OAR 583 Higher Education Coordinating Commission, Office of Degree Authorization
 - Division 30 Standards and Procedures For Schools Required To Obtain Authorization To Offer Academic Degrees In Oregon, Or Required To Establish Exemption
 - Division 40 Review of Proposed New Post-Secondary Programs And Locations
 - Division 50 Validation or Invalidation Of Claim To Possess An Academic Degree
 - Division 70 Oversight of Post-Secondary Accrediting Bodies

(OSAC) Oregon Revised Statute:

- ORS 348 Student Aid; Education Stability Fund; Planning
- ORS 348.696 Oregon Opportunity Grant (OOG)
- ORS 348.500 ASPIRE Programs
- ORS 411.894 Oregon JOBS Individual Education Account; administered by Office of Student Access and Completion
- ORS 442.535 through ORS 442.545 Nursing Services Program
- ORS 461.543 OOG/Lottery-funded Sports Lottery Account

Oregon Administrative Rule:

- OAR 575 Oregon Student Access Commission

(PCS) Oregon Revised Statute:

- ORS 345 Career Schools
- ORS 341.440 Contracts for educational services

ORS 342.197 Teaching licenses based on experience in private school or career school
ORS 348.070 List of suitable career schools
ORS 687.011 Massage therapists

Oregon Administrative Rule:

OAR 581 Oregon Department of Education
Division 15 Private School Approval
Division 21 School Governance and Student Conduct
Division 45 Private Vocational Schools

Goals

Higher Education Coordinating Commission

The HECC's goal is to build and support the pathways to Oregonians' opportunity and success that can be sustained by innovative and high performing institutions of postsecondary education throughout the state. The HECC seeks to:

- Broaden pathways to the goal of educational success beyond high school by achieving at least 40 percent of adult Oregonians earning a bachelor's degree or higher and at least 40 percent of adult Oregonians earning an associate's degree or postsecondary credential as their highest level of educational attainment by 2025 (see ORS 351.009 Mission of Education Beyond High School)
- Make educational pathways accessible, affordable and supportive for students
- Steer the higher education enterprise
- Cheer the promotion of college completion and career readiness

Primary Focus

Higher Education Coordinating Commission

Oregon's 40-40-20 Goal; access, affordability and successful college completion; active participation in Oregon's educational investment; collaborative strategies for Oregon's unified, coordinated student-centered system of public education from birth through college and career readiness, and graduate school (0-20); system-wide standards, guidance and support for thousands of institutions and providers across the state that delivery education.

- **Oregon Public Universities**

Undergraduate and graduate degrees, certificate, credential, and professional programs, distance learning opportunities, as well as research and public services serving public needs; working closely with the community colleges in the state, the "top 40" of the 40-40-20 goal.

- **Oregon Public Community Colleges and Workforce Development**

Education and training for middle skills jobs and credentials includes certificates, associate's degrees, apprenticeship, journey cards, and industry recognized credentials, primary responsibility for education of the "middle 40" of the 40-40-20 goal.

- **Research & Data**

The educational reforms passed in the 2013-15 legislature have created an opportunity to improve our understanding of the nature of public higher education in Oregon through the creation of a single robust data warehouse where once two separate and distinct data collections existed. The community colleges and 4-year public institutions have both maintained data collection efforts in the past, but in different and distinct data warehouses. Periodically, studies would be undertaken that would require the combining of data from both sectors – a challenging process involving Data Sharing Agreements, matching personal identifiers, cleaning the data, sorting similar data into singular data and then completing the study. Since the data collected by one sector did not necessarily match the other, too often "data missing" would appear in the results.

Beginning in the 2015-17 biennium the university historical data will reside with the HECC, and the integration of the two data systems will provide for a single rich educational knowledge base that more completely reflects the behavior of Oregon's postsecondary students. Students today do not follow the models of our parents. It is rare for a student to attend a university for four consecutive years, and then graduate. Education policy experts have determined that taking college credits in high school improves the chances of success for our students. In this generation, education is less frequently obtained at a single institution. Many students take courses at multiple institutions, using technology and self-directed studies. Being able to track these student decisions and their consequences will greatly enhance the information required by policy makers to create the best pathways for student success. Additionally, a single educational information warehouse will help us determine if we are equitably providing access and making progress toward the 40-40-20 goal. Best practices, early warnings, and accountability metrics can be derived from a single system that is more complete and more informative than what exists today.

- **Office of Student Access & Completion**

OSAC supports a culture that encourages all Oregonians to seek postsecondary education; provides access to postsecondary education through information, mentoring, and public and private financial support; and administers a broad range of private, state and federal student financial aid programs.

- **Private Career Schools/Office of Degree Authorization/Veterans Education**

PCS: Licensing, business and fiscal standards, instructional design, educational leadership, technical assistance, training, and support for students attending these schools; contributes to the “middle 40” to help the state move toward the 40-40-20 vision by 2025.

ODA: Ensuring the quality of private and online higher education programs offered in Oregon at Oregon private colleges and universities and to Oregon students by out-of-state public and private higher education institutions.

Veterans Education: Veterans Education: U.S. Department of Veteran Affairs (VA), other state VA/SAA agencies across the nation, Bureau of Labor & Industries, ODE, CCWD, ODA and PCS.

Key Partnerships

Key education partners for the HECC include the Governor's Office, (OEIB), the State Board of Education, the Department of Education, PK-12 teachers, administrators, counselors and other professionals working in Oregon schools, federally recognized tribes, Oregon Health & Science University (OHSU), public university Boards of Trustees and Community College Boards, the Oregon Student Association, various higher education associations and foundations focused on the Oregon higher education enterprise. Entities within the agency have many additional partners:

Department of Community Colleges and Workforce Development

Key workforce partners include the Oregon Employment Department, WorkSource Oregon, State and Local Workforce Investment Boards, labor unions, Oregon Business Development Department, nine federally recognized Tribes, Oregon Bureau of Labor and Industries, apprenticeship programs, industry associations/groups, and employers.

Private Postsecondary

- o **ODA** – Oregon licensing boards, workforce development committees, Northwest Career Colleges Association, Oregon Alliance of Independent Colleges, CCWD, accrediting organizations, state authorization offices in other states, U.S. Department of Education, Consumer Affairs Division of Department of Justice, U.S. Immigration and Customs Enforcement/Homeland Security.
- o **PCS** - Internal partnerships include, but are not limited to, Oregon Health Licensing Agency, Oregon Board of Massage Therapists, Oregon State Nursing Board, Oregon Real Estate Agency, Oregon Department of Consumer and Business Services Insurance Division, and Oregon Board of Tax Practitioners. External partnerships include, but are not limited to, Oregon Cosmetology Schools Association, Northwest Career Colleges Federation, U.S. Department of Affairs, and the Regional Office for the U.S. Department of Education.
- o **Veterans Education** -Veterans Education: U.S. Department of Veteran Affairs (VA), other state VA/SAA agencies across the nation, Bureau of Labor & Industries, ODE, CCWD, ODA and PCS.

Oregon Health & Science University

OHSU has four public missions: education, clinical care, research, and statewide outreach. The university educates the next generation of health care professionals and biomedical scientists; creates new knowledge; translates scientific research into therapies for disease; provides compassionate, evidence-based patient care; and improves health statewide through access and policy initiatives. OHSU offers professional degrees in dentistry, nursing, medicine, pharmacy (OHSU/OSU), other health professions (physician assistants, radiation therapy, dietetics; and laboratory medicine and EMT training in conjunction with OIT); and several PhD and Master's degrees along with certificate programs in the sciences. It also educates a large number of interns, residents and fellows in over 80 accredited specialty programs in medicine and dentistry. As part of its outreach mission, OHSU oversees the Child Development and Rehabilitation Center (CDRC), the Oregon Poison Center, the Office of Rural Health and the Area Health Education Centers (AHEC), and engages in numerous K-20 pipeline programs. OHSU receives state funding to support the Schools of Dentistry, Medicine, and Nursing; the CDRC, Oregon Poison Center, the Office of Rural Health, the AHEC and for the Scholars for a Health Oregon Initiative and the Rural Primary Care Loan Forgiveness Program. The funds provided by the State to support the Schools of Dentistry, Medicine, and Nursing cover about 28 percent of the costs to educate students at OHSU with the remaining cost for these students covered by tuition (42%) and other sources (29 percent) including, philanthropic gifts, grants and internal revenue transfers from OHSU's clinical mission.

Office of Student Access and Completion

Education partners also include local sites that serve middle school and high school students in Oregon to train volunteer mentors and provide support to site/school staff, state and federal partners, including Student Child Care (State), JOBS Plus (State), the GEAR UP program (federal), and Chafee Educational and Training Scholarship for former foster youth (federal); private individuals, foundations, corporations, and nonprofit organizations, including The Oregon Community Foundation, The Ford Family Foundation, and Incight.

Governance

The HECC's governance role includes the Department of Community Colleges and Workforce Development, Office of Student Access & Completion, Office of Degree Authorization, Private Career Schools and Veterans Education.

The HECC is responsible for strategic goals and investments for postsecondary education, and for advising the Legislature, the Governor, and the Oregon Education Investment Board on higher education policy. The Commission is responsible for consolidated state budget development for public postsecondary education, including Oregon's 7 universities and 17 community colleges, oversight of the Oregon Department of Community Colleges and Workforce Development (CCWD) and the Office of Student Access & Completion (OSAC), state funding allocations to community colleges and public universities, the distribution model for the state's need-based financial aid program (the Oregon Opportunity Grant), approval of academic programs for public postsecondary institutions, approval of missions for public universities, degree authorization for private postsecondary institutions, and licensure of private career schools. The HECC is a 14-member, volunteer board appointed by the Governor, and supported by an executive director, who oversees CCWD, OSAC and HECC staff who support the Commission's mission. The HECC includes the Private Career Schools office which licenses career schools and provides educational leadership and support to over 235 private career schools in Oregon, and the Office of Degree Authorization, which is responsible for approval of academic programs for all degree-granting private postsecondary institutions in the state.

Environmental Factors

The benefits of postsecondary education

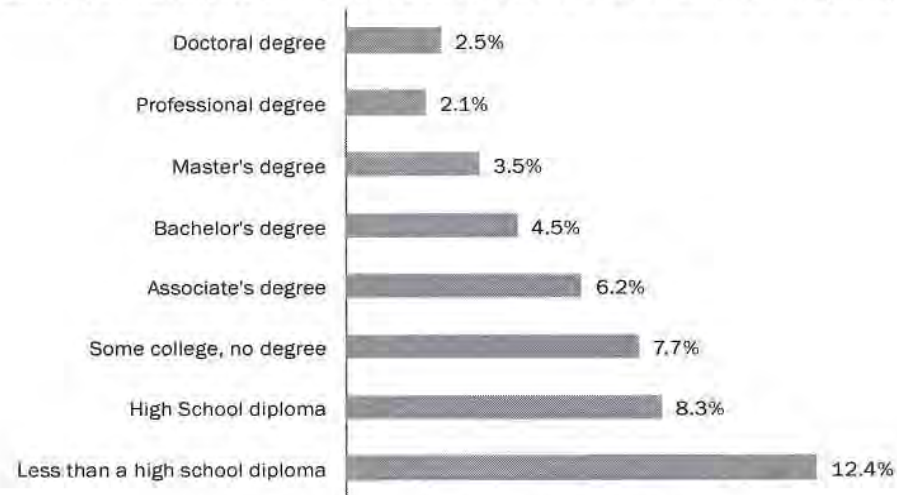
The pathways to educational success today reach far beyond the classrooms of the last century. They begin with a comprehensive system of learning in early childhood, transition to more expansive and rigorous curriculums in Oregon's elementary and high schools and continue on to encompass up-to-date technical training, high-quality college and university educations and relevant life-long learning for adults in a variety of settings. Oregon's design for the education pathways from pre-school through college and career training exemplifies this vision of a seamless and well-sequenced continuum through which students can advance at their best pace, learn in their best environments and achieve to their full potential. The 40-40-20 goals for high school and college completion demand even more, committing the State to a future to be realized less than a generation from now, in which all Oregonians from all walks of life will complete their educations and gain the ability to contribute to the society and economy.

Governor John Kitzhaber has called these 40-40-20 goals the "North Star" for the education system, from pre-school to graduate school – reminding us that those numbers are not ends in themselves, but beacons for the success they offer to students and the state. Achieving those numerical goals will empower Oregonians and invigorate the economy. These effects, in turn, will help to reverse decades of relative decline in personal income in Oregon and establish a virtuous circle of rising incomes, more revenue to invest in education, a more productive workforce and greater prosperity.

Each year, well-paid jobs requiring only a high school diploma – the millwork or manufacturing jobs of the past – are replaced with new jobs that increasingly demand postsecondary education, technology skills and advanced training beyond the high school level. Over the next decade, 61 percent of all Oregon jobs will require a technical certificate, associate's degree or higher level of education. Eighty-nine percent of family wage jobs, jobs paying more than \$18 per hour, will require a technical certificate/associate's degree or higher level of education. Students emerging into this market need skills and education to compete and therefore need to complete a postsecondary education. In turn, a high level of educational attainment among the population of states and communities tends to draw employers offering jobs paying high wages.

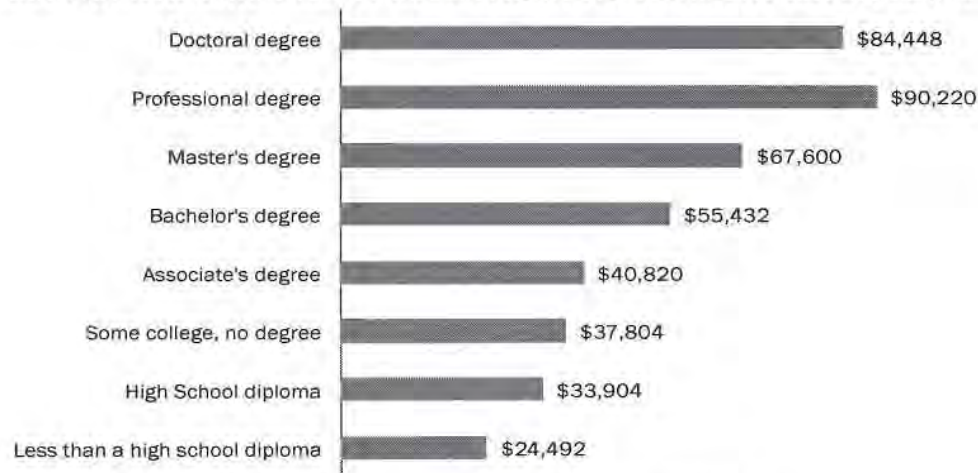
Despite diminishing state support and increasing cost shifts to individuals for the pursuit of postsecondary education, students who complete two-year and four-year degrees still stand to gain significant benefits in the form of employment and income.

UNEMPLOYMENT RATES BY EDUCATIONAL ATTAINMENT LEVEL, U.S., 2012



Source: Bureau of Labor Statistics, Current Population Survey

MEDIAN ANNUAL EARNINGS BY EDUCATIONAL ATTAINMENT LEVEL, U.S., 2012



Source: Bureau of Labor Statistics, Current Population Survey

Data from the Bureau of Labor Statistics (2012) show a steep “staircase” of annual earnings related to higher levels of education. U.S. individuals with associate’s degrees earned at least \$6,900 per year more than those with high school diplomas. Those with bachelor’s degrees earn approximately \$21,500 more per year. High-wage jobs tend to require more education. In fact, of high wage jobs in Oregon (defined as those paying more than \$50,000 annually) 62% require at least a bachelor’s degree. Higher earnings are not the only potential benefit of higher levels of education. The unemployment rate for individuals who have not completed high school (12.4%), is much higher than for individuals with a four-year

or higher degree (4.5%). Education is not just about improving personal income and job security. Higher levels of education are associated with better health, longer lives, greater family stability, less need for social services, lower likelihood of involvement with the criminal justice system, and increased civic participation. All are benefits to not only the educated individual and their family, but also help support healthy, thriving communities across Oregon.

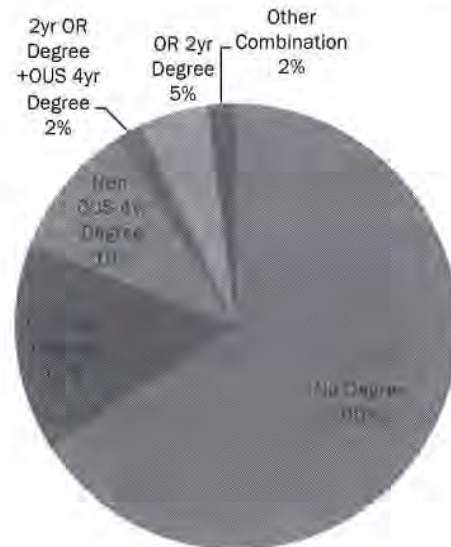
The systemic challenge

A profile of students in the K-12 system, from today’s high school seniors to the first graders who represent the high school class of 2025, reveals even greater challenges to achieving the State’s postsecondary education goals. Available data indicate that only 39% of students who enter high school graduate within five years and proceed to enroll in a college or university within one year after graduation.

The Oregon Education Investment Board (OEIB) and the state’s educational leaders are applying increased attention to improving the quality and rigor of K-12 education and forging better connections across the broader P-20 system – from early investments in pre-kindergarten learning to preparation for college and career readiness in high school. These efforts should improve the productivity of the K-12 pipeline. However, students in the pipeline will require more support.

POSTSECONDARY OUTCOMES IN 2012 FOR OREGON’S HIGH SCHOOL GRADUATING CLASS OF 2005

Source: ECONorthwest analysis of data from Oregon Department of Education and National Student Clearinghouse

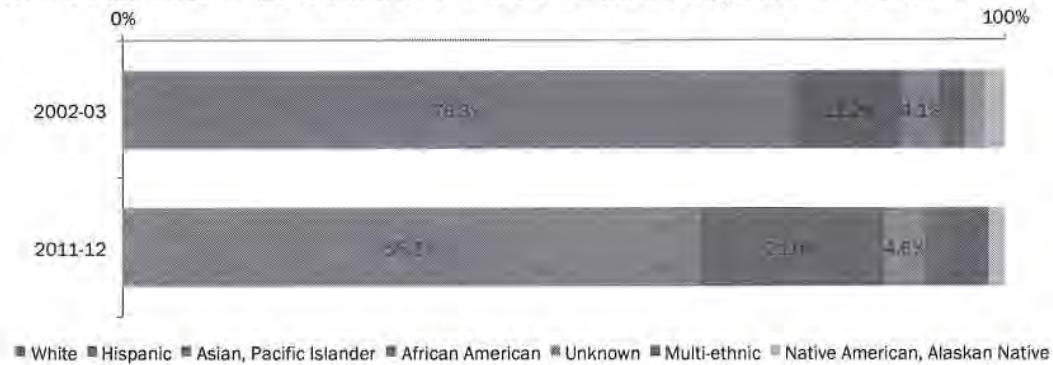


Outcome	Number	Percent
No Degree	21,335	66%
OUS 4yr Degree	4,766	15%
Non-OUS 4yr Degree	3,352	10%
2yr OR Degree + OUS 4yr Degree	465	2%
OR 2yr Degree	1,533	5%
Other Combination	741	2%

The demographic challenge

Demographic trends reveal that an increasing number of students will come from racial and ethnic groups who have had less success in the K-12 system and have been under-represented in postsecondary institutions. Not only will these students require more targeted and effective teaching and support in K-12, they are less likely to come from families with college-going experience and less likely to pursue their educations beyond high school. The HECC has adopted OEIB's Equity Lens to guide their work for improving success for underserved populations in Oregon, and has convened an Equity Advisory Group comprised primarily of institutional administrators focused on equity issues at community colleges and universities.

RACE/ETHNICITY OF OREGON'S K-12 STUDENTS, 2002-03 VERSUS 2011-12

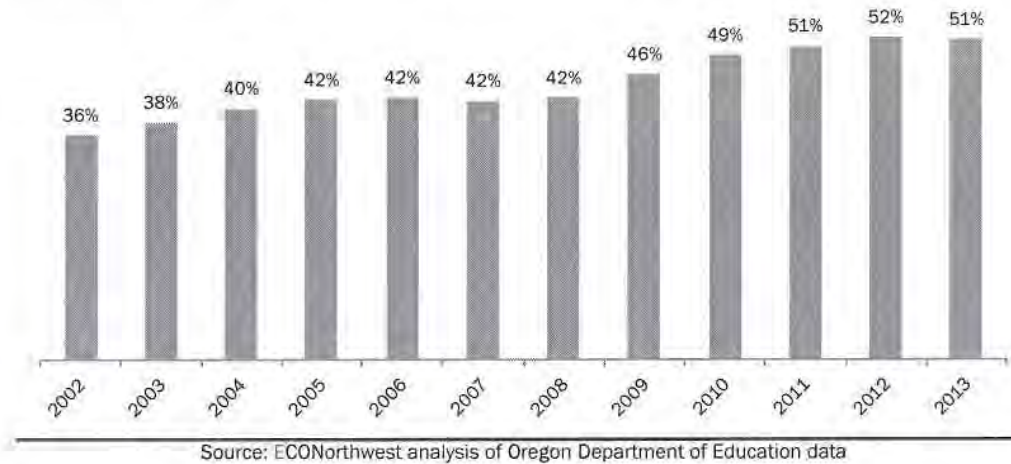


Source: ECONorthwest analysis of Oregon Department of Education data

The economic challenge

Changing demographics combined with increasing levels of poverty and stagnant middle class incomes intensify the economic challenge of 40-40-20. The poverty rate among families with children has been increasing. These children must contend with more unstable family lives, are often inhibited in their learning by lack of nutrition and food insecurity and suffer greater learning losses during summer and extended breaks in the school calendar than do students from more economically secure families.

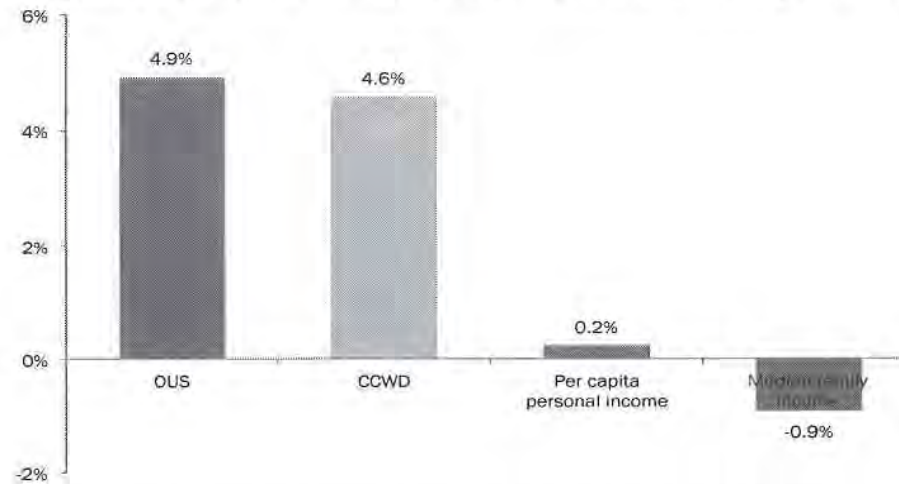
PERCENT OF OREGON K-12 STUDENTS ELIGIBLE FOR FREE- OR REDUCED-PRICE LUNCH



Poverty is not the only economic challenge. As working-family incomes grow more slowly, the shift of the costs of higher education to tuition payers has created barriers to entry and obstacles to persistence for both poor families and for increasing numbers of low-income and middle class families as well. During the past decade, as state support for postsecondary education declined, tuition payments per FTE at the community colleges and public universities have increased by more than 4.5 percent per year, while median family incomes have declined by 0.9 percent.

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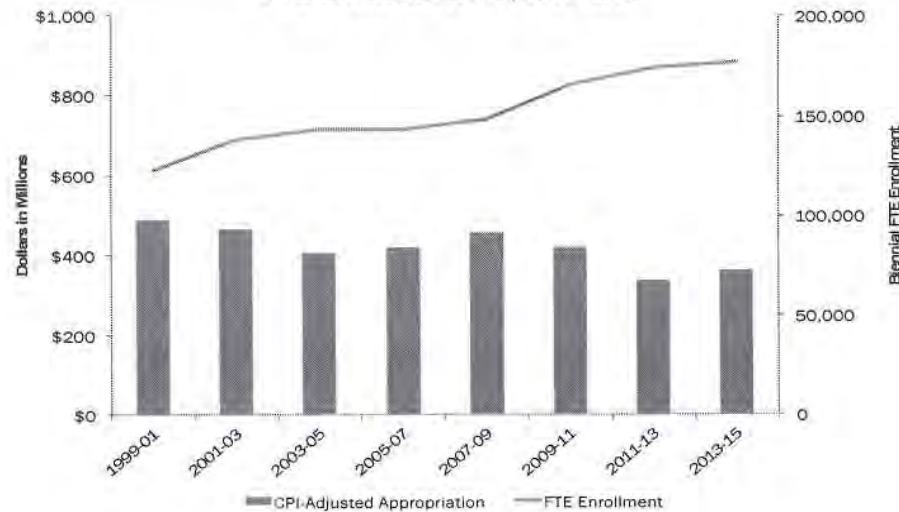
ANNUAL GROWTH RATES FOR REAL TUITION PAYMENTS PER FTE VERSUS INCOME (IN 2012 DOLLARS), OREGON, 1999-2012



Source: ECONorthwest analysis of data from OUS, CCWD, and U.S. Census Bureau

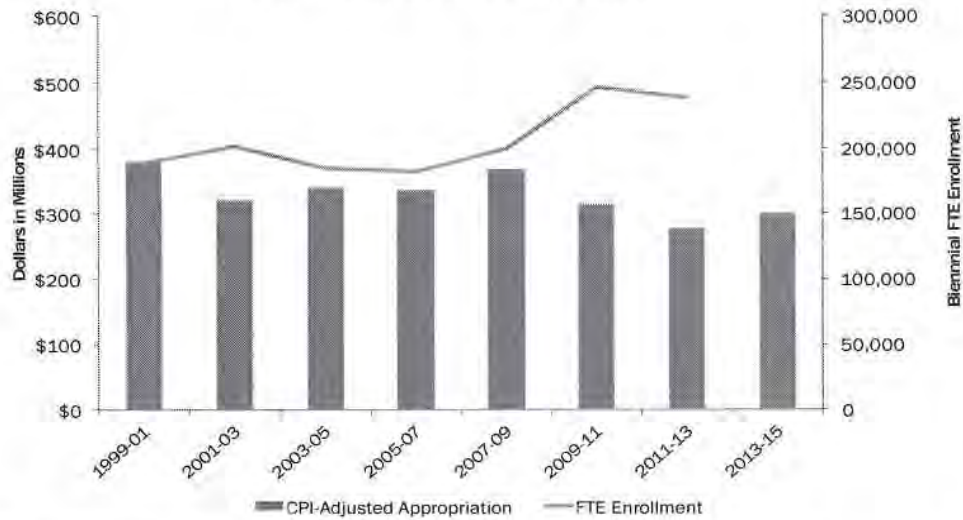
During this same period, state support for its community colleges and universities declined, while enrollment climbed, which intensified the reliance on tuition to cover costs and keep up with demand.

OREGON UNIVERSITY SYSTEM BIENNIAL STATE APPROPRIATIONS AND FTE ENROLLMENT, 1999-2015



Source: OUS Fact Book 2013

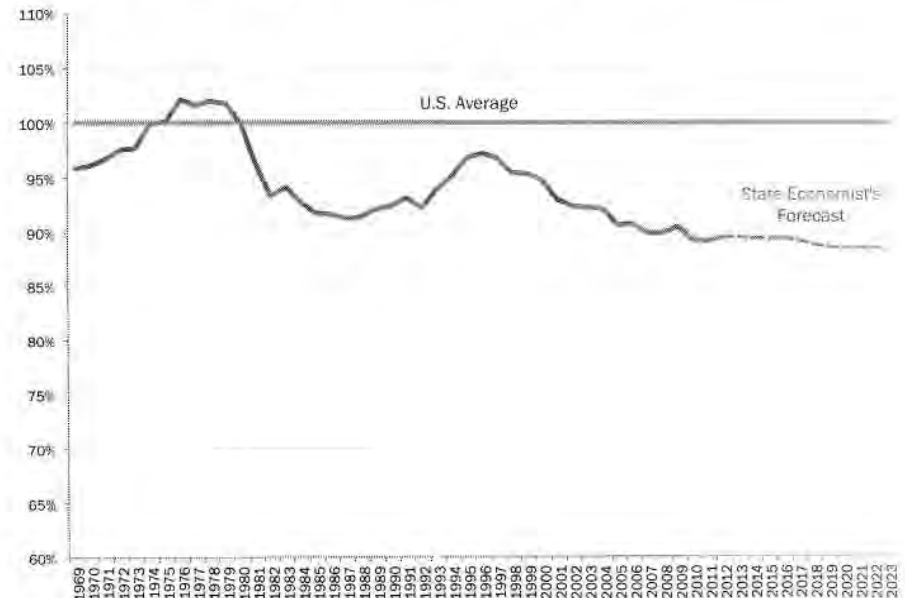
COMMUNITY COLLEGE BIENNIAL STATE APPROPRIATION AND FTE ENROLLMENT, 1999-2015



Source: ECONorthwest and Department of Community Colleges and Workforce Development

Finally, Oregon’s per capita personal income has been declining relative to that of other states, to the point where it now averages 90 percent of the national average. As personal incomes decline, public resources decline relative to those of other states, an effect that has been magnified by Oregon’s reliance on income taxes to support education. This can create a self-reinforcing cycle of scarcity in which declining incomes undercut Oregon’s ability to reinvest in strategies to overcome this decline.

OREGON'S ACTUAL AND PROJECTED PER CAPITA PERSONAL INCOME AS A SHARE OF THE U.S. AVERAGE, 1969-2023



Source: ECONorthwest analysis of Urban Institute—Brookings Institution Tax Policy Center data

2015-17 Agency Policy Option Package Initiatives

PACKAGE DESCRIPTION

- 070** **OSAC Revenue Reduction**
OSAC coordinates and manages the application process for nearly 500 privately-funded scholarship programs, awarding approximately 3,300 individual scholarships totaling approximately \$18 million per year. The program unit that administers this function has historically been self-sustaining through the collection of administration fees from scholarship donors. Over time, revenues have not kept pace with the inflation of administrative costs and shared agency expenses have landed disproportionately on this program. These items, combined with the loss of a single very large scholarship fund in the coming biennium, has led to the program forecasting insufficient revenue to meet operating expenses. This revenue reduction package recognizes the revenue shortfall, and balances the program through the reduction of three FTE to half time, the elimination of two other full-time positions, and reductions to the Services & Supplies budget. The Scholarship Program supports the HECC goal of making the pathways to higher education more accessible, affordable and supportive for students. Decreased program revenue and staff reduction will result in diminished customer service and donor relations efforts. With the loss of donor clients, further cuts may be required. This package is a partner to Package 214 - OSAC Scholarship Restoration
- 081** **May eBoard**
The HECC received \$700,000 in the May 2014 eBoard to contract with OUS for 4/7ths of OUS's research team for the remainder of the 2013-15 biennium. See partner package 303 - Integrated Research & Data Team for 2015-17 position conversion.
- 100** **Transfer to the HECC**
Package 100 is a technical package that effectuates the transition of state appropriations for public universities (including the statewides, state programs, and Sports Action Lottery), OHSU, debt service, and OSAC to the HECC's agency budget. These changes are consistent with the HECC's statutory responsibilities (a) for proposing a comprehensive higher education budget; (b) for overseeing funding allocations for public universities and for Oregon Opportunity Grants; and (c) for overseeing the Office of Student Access and Completion. State appropriations for CCWD, including the Community College Support Fund, are included within the HECC's budget via essential budget Package 060.
- 101** **Continue HB5101 Tuition Buy-down into 2015-17**
Package 101 carries forward and biennializes HB 5101 "Tuition Buy-Down." HB 5101 was passed during the 2013 special session and provided as a onetime appropriation \$15 million dollars to limit tuition and fee increases at Oregon's community colleges and \$25 million dollars for the same purpose at Oregon's public universities. Package 101 seeks funds to replace and make permanent the allocation provided by the 2013 legislature in order to avoid "catch-up" tuition increases to augment the lost revenue at universities and community colleges. Embedded within Package 101 is a request for \$30 million dollars for the Community College Support Fund and \$41.1 million dollars for the Public University Support Fund.

102

Public University Support Fund

Package 102 proposes additional investments in the Public University Support Fund (PUSF) of \$39,405,244. The PUSF is the primary vehicle by which the State of Oregon provides resources to the public universities who in turn provide access, support and opportunity to succeed in the 21st Century economy to over 70,000 resident students each year. The additional investment in the Public University Support Fund will serve to support the public universities after almost a decade of enrollment growth and significant disinvestment by the state, in absolute terms and on a per student basis. An investment of \$39.4 million dollars will bring estimated funding per resident student up to \$4,918, which, though significantly below the recent peak in 2007-09 of \$6,323, continues the trajectory of reinvestment after the great recession (per student funding includes debt service and state programs). These additional resources serve as a means to ease the transition from an enrollment based allocation model to one focused on access and completion, which will orient and reward universities as they continue to progress in meeting the state's ambitious 40-40-20 goal.

Pending Technical Adjustment to PUSF

The Governor's Office has issued a technical adjustment of the PUSF as published, reducing the fund by \$4,770,459, to a total of \$588,957,868.

111

Community College Support Fund

State General Fund support for community colleges provides investment in a range of educational activities, including associate degrees, transferable postsecondary undergraduate coursework, career and technical education, pre-college, adult basic education, literacy, and local workforce training. These activities not only serve the "middle 40," but include services to Oregonians at large. For example, community colleges provide additional pathways to achieve a high school credential for those lacking a diploma. In addition, community colleges provide a more viable path to achieving a bachelor's degree for students who might otherwise not be able to afford tuition or may not have the educational skillset to directly enter a four year postsecondary institution. Community college activities directly impact all three aspects of Oregon's 40/40/20 educational goal.

Package 111 proposes a \$15 million increase to the support fund. While this funding level remains significantly below the peak of 2007-09, it would continue the trajectory of reinvestment after the Great Recession. These additional resources will serve as a means to ease the transition from an enrollment-based allocation model to one focused on access and completion, which will orient and reward colleges as they continue to progress in meeting the state's ambitious goals for student success.

131

OSAC Opportunity Grant Expansion

As Oregon's only state-funded need-based grant program, the Oregon Opportunity Grant has been the primary tool to ensure Oregon students of all income levels can consider higher education. With retooling to make these student-focused grants more predictable, equitable, and meaningful, the OOG supports the HECC goal of making the pathways to higher education more accessible, affordable and supportive for students.

Package 131 proposes a significant expansion to the OOG as well as a modest amount of funding to provide for modifications to the OSAC database in support of proposed changes. At the funding level proposed by Package 131, HECC modeling indicates how the state could strategically focus these funds to improve affordability and predictability of financial aid so that Oregonians can successfully access and complete their post-secondary educations. Any modifications to the OOG-awarding process that the HECC

adopts in conjunction with Package 131 would be the result of significant consultation with institutional stakeholders, students, and legislators. Modifications under consideration include:

- Expand the program by 25.6% to serve approximately 16,000 more Oregon students facing affordability challenges.
- Strategically target the grant to serve students with the highest financial need who demonstrate they are on track with academic progress.
- Improve predictability by funding the program to allow an extended rolling application deadline in lieu of the first-come-first-served approach, allowing students and families better planning options.
- Improve predictability by guaranteeing a second year of aid if academic achievement and academic benchmarks are met.

090

Analyst Adjustments

Package 090 recommends adjustments from the CFO Analyst. These include the following:

- ETIC and Industry Partnership funds are transferred from OEIB, which represent 80% of the total for those programs. ETIC funding is reduced by 10 percent from CSL and the remaining funding is transferred to the Public University State Programs SCR.
- The focus of the CCWD Deputy Director is shifted entirely on workforce activities.
- CCWD Debt service on \$123.4 million in unsold Article XI-G bond projects is reduced by \$9.6 million in anticipation of many of the college not obtaining their constitutionally required match before the end of the 2015-17 biennium. The budget includes \$10.2 million in debt service for these projects.
- Funding for the Sports Action Lottery program is eliminated and the package transfers the Lottery Funds to the Oregon Opportunity Grant program to fund need-based scholarships. The package is dependent on elimination or suspension of the Sports Action Lottery program which, by statute, receives one percent of net Lottery proceeds. The package has been adjusted based on the December 2014 revenue forecast of \$10,827,615.
- OHSU Debt service on bonds to be sold for the Knight Cancer Center is reduced due to replacement of Lottery Bonds with Article XI-G bonds and delay of the Article XI-G bond sale until approximately February 2016.
- Lottery Funds currently allocated to the Sports Action Lottery program support intercollegiate athletics and scholarships at the seven public universities is redirected to the Opportunity Grant Program. Other Funds are increased by \$1,100,000 to use JOBS Plus revenues that are statutorily available for Opportunity Grants. General Fund is reduced by the same amount. The package reflects the December 2014 Lottery revenue forecast for the Sports Action Lottery amount of \$10,827,615.

151

Community Innovation Center

Over the past four years, the Governor and Legislature have developed community-based partnerships that are poised to engage and integrate public, private and civic sectors in a robust way. These regional efforts in health (Coordinated Care Organizations), early education (Early Learning Hubs), education (Regional Achievement Collaboratives), workforce (Workforce Investment Boards) and economic development (Regional Solutions Advisory Committees) are built to expand our capacity to address complex problems and take action on the ground to improve outcomes and reduce disparities. To ensure that the communities and our state agencies have access to best practices, technical assistance and support for continuous improvement, this package proposes the creation of the Center

for Community Innovation. This small unit within in the HECC would: leverage and connect state resources with private, philanthropic and civic resources; help good ideas travel faster, disseminating what works through networks; work to remove barriers to transformation at the state level; engage diverse communities and stakeholders; support state agencies in transforming organizational structures, processes and policies to serve as effective partners to communities; provide a state backbone for technical assistance, support and resources; and connect regions to state data & analytic capacity.

152 Community Incentive Fund/Community Leverage Fund

Over the past four years, the Governor and Legislature have developed community-based partnerships that are poised to engage and integrate public, private and civic sectors in a robust way. To accelerate on-the-ground action and leverage public, private and civic resources, this package includes a \$25 million investment in a Community Leverage Fund. A minimum of \$2 million will be set aside for each of the eleven economic development regions of the state, regardless of size, to be distributed to a partnership consisting of at least two of the following: CCO, early learning hub, regional achievement collaborative, workforce investment board, or regional solutions advisory committee. The Community Leverage Fund will allow communities to launch projects that address multiple outcomes in health, early learning, workforce and economic development, as well as education.

201 CCWD Youth Employment

Oregon's competitiveness is fundamentally linked to the availability of a skilled workforce. However, Oregon continues to face a visible economic crisis and a silent one—thousands of youth are not finding opportunities to develop the academic and job skills they must have in order to succeed in today's global economy. Oregon's job recovery from the Great Recession has largely overlooked younger workers. Unemployment rates for youth grew drastically during the recession, have not returned to previous levels and the length of time young people spend unemployed has increased significantly.

CCWD will collaborate with the local workforce investment boards to create and operate the program to provide meaningful work experience and workforce training for persons between the ages of 14 and 24. Program participants will be provided with case management and support services, and local boards will ensure that collected data will allow for the identification and dissemination of the most promising practices.

202 CCWD Incumbent Worker Training

Revitalizing and invigorating the Oregon economy is a high priority. To facilitate economic recovery and to keep Oregon's industries productive and competitive for Oregonians, we must ensure that a skilled workforce is available to existing businesses. Further, Oregonians require access to education and training that will keep them prepared for the jobs of the future.

"Middle-skill jobs", which require more than a high school diploma but less than a four-year degree, currently comprise the largest segment of jobs in Oregon's economy, and will continue to do so for years to come. A collaborative approach is needed to achieve the state's goals for high school and postsecondary completion, to advance the skillsets of our workforce, and to develop, recruit and retain businesses.

Oregon must create a coherent and responsive workforce development strategy that is linked to economic development efforts. The state needs to better analyze and enhance the return on our investments in workforce programs meant to allow workers to compete for

newly created jobs or jobs requiring enhanced skills to increase productivity and wages, and to reduce the need for public assistance. This workforce development strategy must ensure that public and private sector investments are leveraged for the greatest impact and that training programs are responsive to the needs of business, industry, and the workers.

203

Restructuring On-going Workforce Initiatives

This package restructures \$10.9 million General Fund approved in the 2011-13 and 2013-15 Legislatively Approved Budget for a variety of workforce programs to reflect current needs. The package shifts \$100,000 from Professional Services to Special Payments. It includes the following programmatic changes:

- Increases funding for the Work Ready Communities program, which includes National Career Readiness Certificates (NCRC), from \$750,000 to \$1,000,000
- Provides \$2.5 million to local workforce investment boards to lead local sector strategies and other efforts to increase community and industry competitiveness
- Provides \$1 million for technical assistance to local workforce areas
- Allocates \$400,000 for identification and dissemination of best practices among local workforce investment boards
- Reduces funding for Back to Work Oregon on-the-job training and NCRC programs included in the 2011-13 and 2013-15 budgets from \$6.2 million to \$5 million
- Eliminates a separate \$1.5 million NCRC allocation
- Eliminates a separate \$1.5 million Supporting Sector Strategies program

209

Community College Capital Construction *(not funded in Governor's Recommended Budget)*

This package reflects the community colleges, by college prioritized request, for deferred maintenance projects from Lottery Bonds. During the downturn, to hold tuition constant while receiving fewer state resources, colleges deferred maintenance and implemented additional cost saving measures resulting in a large backlog of maintenance needs that are now becoming critical. Projects range from upgrade/replacement of HVAC systems, energy efficiency upgrades, safety and security upgrades, seismic upgrades, roof repair and replacements to ADA remodels (typically access and restrooms) and parking lot resurfacing. Projects vary greatly in scope from a few thousand dollars to over a million dollars.

211

OSAC ASPIRE Support Funds *(not funded in General Fund, but partially restored with federal dollars in Governor's Recommended Budget)*

ASPIRE's main focus is to create a college-going culture in Oregon by: 1) providing one-on-one and group mentoring and resources to students and their families to gain increased access to postsecondary education and training, 2) providing training resources and consultation for building sustainable community-based volunteer mentoring programs, and 3) increasing the number of Oregon students seeking and receiving scholarships and other financial aid. As an all-comers program, the ASPIRE mentors foster a culture of education by mentoring students who largely lack confidence that education and training beyond high school are within reach.

While the 2013 Legislature funded staff positions, this package would add the associated S&S funding that was not included in the 2013-15 General Fund. This would provide the necessary S&S materials and resources to support the 145 existing ASPIRE sites.

212 OSAC ASPIRE Expansion (not funded in General Fund, but partially restored with federal dollars in Governor's Recommended Budget)

ASPIRE provides postsecondary education and training information to Oregon middle, high, and college students and directly links to Oregon's 40-40-20 goal by supporting college-going cultures in the communities it serves. The ASPIRE volunteers foster a culture of education by mentoring many students who lacked belief that education and training beyond high school was possible. ASPIRE supports a statewide education system that includes middle schools, high schools, CBOs, community colleges, and connects colleges and universities with ASPIRE sites and students, helping bridge the gap between high school and college to create a continuum of a college-going culture. This funding support through the anticipated federal College Access Challenge Grant would allow ASPIRE to expand in the second year of the biennium from 145 to 200 sites; provide one-on-one and group mentoring to 12,956 students, provide college and career readiness information 124,138 students (duplicated headcount) through drop-in hours, classroom presentations, assemblies, and college events; and engage 2,069 volunteers.

213 OSAC Student Outreach (FAFSA) (not funded in General Fund, but partially restored with federal dollars in Governor's Recommended Budget)

Many prospective students don't consider postsecondary education as a financial possibility, simply because they're unaware of available financial aid. Likewise, many current students are exhausting their own resources to further their education when they are eligible for federal or state aid. By putting in place statewide education efforts and local events to promote the completion of the Free Application for Federal Student Aid (FAFSA), OSAC believes they can increase the number of students that consider postsecondary education affordable, and grow the utilization of federal financial aid by those qualified. These efforts support the HECC goal of making the pathways to higher education more accessible, affordable and supportive for students. With investment in this program, we anticipate increasing FAFSA completions at participating schools by 10-20% in the first year.

214 OSAC Restoration Package

OSAC coordinates and manages the application process for nearly 500 privately-funded scholarship programs, awarding approximately 3,300 individual scholarships totaling approximately \$18 million per year. The program unit that administers this function has historically been self-sustaining through the collection of administration fees from scholarship donors. Over time, revenues have not kept pace with the inflation of administrative costs and shared agency expenses have landed disproportionately on this program. These items, combined with the loss of a single very large scholarship fund in the coming biennium, has led to the program forecasting insufficient revenue to meet operating expenses. A revenue reduction package would balance the program through the reduction of 3.5 FTE and reductions to the S&S budget. This restoration package would restore those positions by reallocating some shared costs that have been budgeted disproportionately in this program to a more equitable and defensible allocation. The Scholarship Program supports the HECC goal of making higher education pathways more accessible, affordable and supportive for students. Restoring these positions and reallocating costs would allow OSAC to continue providing excellent customer

service and retain positive donor relation efforts through equitable cost-sharing of agency expenses. This package is a partner to Package 070 – Revenue Reduction.

231

ETIC Reconfiguration

The Engineering and Technology Industry Council (ETIC) is composed of senior executives from high technology firms and senior academic leaders from Oregon’s public universities. Since its 1997 inception, the legislature has provided funds to the council for investment in academic programs in order to enlarge the pool of talent available to high technology firms, enhance faculty and program capacity in graduate and professional education to further develop the current pool of talent and create educational opportunities in the engineering disciplines. The Council has proposed splitting its funding into two separate sections: 1) 80% of its historical allocation to sustain and continue the gains ETIC has already achieved. This portion would move to the HECC, and 2) 20% “renewable” funds to be actively managed to respond to emergent needs and innovative programs. Package 231 is a technical adjustment that complements Package 021, in order to shift, in total, 80% of ETIC’s historic funding from the OEIB to the HECC. ETIC “sustainable” funds would be allocated to universities through an outcomes-based funding model, currently being negotiated by the Council and their university partners.

301

HECC Management Streamlining and Organizational Needs

The combining of OSAC, CCWD, and the HECC into one mid-size agency creates the opportunity (where practical) to co-locate and bring services in-house. This would facilitate a full service IT section, budget shop, accounting unit, payroll staff, and human resources section that would provide efficiencies, stability and consistency across the enterprise. This package adds an HR professional, a mid-level budget professional, and a Help Desk staff person to meet broad agency needs. These costs are largely offset by the savings realized from no longer retaining DAS client services for HR, Payroll, and Accounting and Budget. The package also redirects resources for contract Internal Audit services.

302

DA/PCS Integrating Program Approvals & Reviews *(not funded in Governor’s Recommended Budget)*

This would restore and enhance the quality of monitoring efforts and effective steering of educational systems. The staffing allocation would reduce high program/school to FTE workloads allowing staff to be more timely and proactive in monitoring and evaluating private postsecondary programs. It would additionally adjust duties and assignments as the HECC assumes new responsibilities as a result of implementation of the State Authorization Reciprocity Agreement (SARA). Reducing individual staff workload and increasing integration across the current ODA/PCS units would result in increased site visits, proactive coaching and guidance (steering) to schools and improving the quality of programs and delivering performance results for Oregonians’ as measured by the increase in quality degrees awarded and the number of offerings available in support of Oregon’s 40-40-20 goals. This would restore a limited duration position currently funded by general funds and transforms it as a program analyst enhancing the unit’s ability to monitor schools, provide technical assistance and increase compliance.

- 303 Integrated Research & Data Team**
CCWD has 4 research staff in their base budget. The HECC received \$700,000 in the May 2014 eBoard to contract with OUS for 4/7ths of OUS's research team for the remainder of the 2013-15 biennium (Package 081 May eBoard). The \$700,000 rolls forward into 2015-17 as \$1,400,000. This package (a) converts the \$1.4 million into 5 research positions with associated S&S, and (b) combines the existing CCWD research staff and the new OUS focused research staff into an integrated research team that would be responsible for managing the state's higher education data (received from institutions) and responding to research requests from campuses, the HECC, the Legislature, and others.
- 304 Postsecondary Association Memberships**
The HECC is newly responsible for maintaining the State's membership in national organizations that provide important benefits for policymakers, institutions, and students. More than 80 percent of this \$381,317 package would cover dues associated with Oregon's membership in the Western Interstate Commission on Higher Education (WICHE). Historically, this cost has been borne by the Oregon University System. Through WICHE's Western Undergraduate Exchange, Oregon students may receive reduced tuition rates at participating two and four-year colleges in other WICHE states, with reciprocal benefits to out-of-state students enrolling in Oregon. WICHE's Internet Course Exchange (ICE) enables Oregon students to seamlessly access high-quality online courses and programs offered by other ICE member institutions. Additional funding in this package is provided for dues associated with Oregon's membership in the Education Commission of the States (ECS) and the State Higher Education Executive Officers Association (SHEEO). These organizations provide policy tools and resources to legislators, legislative staff, members of state boards/commissions, and agency staff.
- 311 CCWD Work Reconciliation**
Over the last few biennia, the mix of work and the programs that have a greater focus have changed. During the Great Recession, CCWD was funded for and reallocated resources to workforce development and initiatives at a time of very high unemployment. In 2013-15 CCWD is focused on 40-40-20 goals, student success initiatives, outcomes-based funding, and community college data gathering and analysis work to better inform decisions going forward. In 2013-15 CCWD has funding for 8.65 FTE of General Fund work, yet is performing over 13 FTE of General Fund work. As a result, CCWD requested a General Fund appropriation in the February 2014 Session to reflect this change. This mix of work will continue forward into the future and this package reflects this reality by increasing the General Fund ratio to 13.45 FTE of 58.70 total FTE instead of the current 8.65 FTE of 58.70 total FTE.
- 312 CCWD Staffing Gap (not funded in Governor's Recommended Budget)**
CCWD is requesting three new general funded Education Specialist 2 positions and increasing an existing 0.7 FTE position full time to meet the current workload demands of the community college team. These positions will focus on working with the community colleges to develop and implement policy related to community college priorities for student success. These include Career Pathways, work based learning, student success initiatives, STEM, Joint Boards Articulation Commission, distance learning and the FTE Audit. This work is a mixture of current policy implementation, statute and administrative rule requirements, federal program requirements as well as supporting the ongoing work of stakeholder groups by providing technical assistance and policy advice. These positions support the HECC vision and strategic plan as well as the achievement of the 40-40-20 goals.

OSAC IT Needs

As the federally-designated repository for Oregon resident FAFSA data (Free Application for Federal Student Aid), the managing authority for the Oregon Opportunity Grant, and the administrator of nearly 500 privately-funded scholarships, OSAC handles sensitive student data from hundreds of thousands of Oregon residents annually. To perform this work, OSAC relies heavily on a robust, secure, and reliable Information Technology (IT) infrastructure. This package requests a small increase in base funding to enable maintaining equipment replacement on an industry-recognized lifecycle plan. It also includes a relatively modest one-time allocation to purchase needed disaster recovery hardware and maintain student privacy and security in the event of a disaster. Lastly, this package requests a one-time capital expenditure to fund the replacement of the agency's aging and unstable Financial Aid Management System (FAMS); a business case for this purchase is under development. The FAMS will also be a critical component in linking OSAC's student records to the proposed State Longitudinal Database. Together, these individual requests would meet the current and ongoing OSAC IT needs for the next 7-10 years. By supporting all of OSAC's direct programs, the IT unit supports the HECC goal of making the pathways to higher education more accessible, affordable and supportive for students.

Major Information Technology Projects/Initiatives

Community College and University Information Technology

Technology offers ever-changing tools for enhancing productivity, informing the public, the policy makers, and the auditors, and for developing new research agendas. From the mundane accounting tasks to the determination of funding models to the assessment of Oregon's postsecondary education status in local, state, and national contexts, technology must be incorporated into any long range planning goals for the HECC. For the community colleges and universities, the educational realignment charted by our legislators invites a whole new world of information connected together in a cohesive system administered through the most advanced information technology.

The projects and initiatives envisioned for the 2015-17 biennium are both continuing and new, and will rely on information processing tools that promote efficiency while ensuring security, privacy, protection of resources and improved information accessibility by technologically less sophisticated postsecondary stakeholders.

University Information Technology

The beginnings of an integrated postsecondary data and information systems began in the 2014-15 year utilizing US Department of Education funds. It is anticipated that much progress will be made determining the HECC's data and information needs to meet their strategic plan including the HECC's needs analysis, assessment of current resources, understanding of the information shortcomings through gap analysis, assessment of hardware and software needs for the development of a single postsecondary information system, and identification of required data elements to provide the robust knowledge base that will inform the HECC and meet statutory reporting requirements. However, the project to fully integrate the university and community college data dictionaries, to collect the same data in the same detail, and to report, analyze and measure postsecondary performance through a single software and hardware model will undoubtedly continue into the next biennium. This project is underway and envisioned, but completion in the 2013-15 biennium is not assured. Additionally, moving platforms from Oracle to SQL*Server and from OSU support to the HECC or hosted support is significant, and certain tasks such as resolving data element coding into a common coding scheme will be partial, but also likely not completed in the 2013-15 biennium and consequently, additional resources may be required in 2015-17 for the full transformation including any final development costs, license fees, vendor support costs, and possibly hosting costs. The inclusion and ongoing support of knowledgeable university data analysts is a critical component to the success of the project.

CCWD Information Technology

CCWD uses technology to enhance productivity in the office, to be an effective tool in extending access to postsecondary education to all Oregonians, as well as, to support research and achievement of the Governor's and the Legislature's goals and initiatives. Technology is also used to provide integrated services to the clients of the WIA Title IB federal program. CCWD has common intake and registration with the OED for all WIA IB participants through the new integration process. Information systems are an important ongoing tool to track outcomes, accountability, and coordination.

Funding for several information systems is included within the base budget. These systems collect information on community college students, career and technical education students in high school, GED participants, WIA clients and basic skills students. The agency also developed a web page, harmonized with the Oregon.gov framework, which provides access to information about CCWD services to citizens and stakeholders. The information management systems currently in place within CCWD are:

- **OCCURS:**
OCCURS has been the primary tool for gathering information about community college programs and students. It collects information at the course and student level for management and policy decisions and to report enrollment at the state level. CCWD embarked on a redesign of OCCURS in the latter half of the 2011-13 biennium. The D4A data system will provide stricter data security, ease of interfacing for end users at the community colleges, increased data reliability and validity, all while allowing external stakeholders to querying parts of the system via a web-based datamart. The upgraded system is expected to be fully operational by October 2014.
- **GED Database:** CCWD is the administering agency for the state's GED program. A database has been developed for timely reporting to the U.S. GED Testing Service and to state decision makers. This system also allows staff to automate the process of disseminating GED certificates and transcripts.
- **Workforce Investment Act Management Information System (WIAMIS):**
WIAMIS provides information on Oregon's WIA clients. The system collects information from local systems and compiles statewide data. WIAMIS is used as the primary reporting tool for WIA IB performance.
- **Tracking of Programs and Students (TOPS):**
TOPS is a system used to assess skill gains for basic skills students. Participants take pre- and post-service tests to provide accurate data on the effectiveness of basic skills programs around the state. TOPS is the primary reporting tool for WIA Title II. TOPS will be obsolete when this data is incorporated into the newly designed D4A data system.
- **CCWD Web Page:**
CCWD's web page resides at <http://www.oregon.gov/CCWD>. Oregonians can get information about OWIB, community colleges, CCWD programs and activities, find information on the agency budget and the SBE, submit questions to staff and link to community colleges and other partners, and many other items. The page is perpetually evolving to provide the highest level of online service possible and conforms to the State's federal standard on web access and readability for ADA purposes.
- **Community College Financial Information System (CCFIS):**
CCFIS is the primary tool used by the community colleges to report revenues and expenditures to CCWD.
- **WIATitle 1B (WIA) Reimbursement/Reporting System:**
The Reimbursement/Reporting System allows the WIBs to request funds weekly as needed. This system also is the vehicle by which the WIBs report the information required for the federally required quarterly financial reports.

ODA Information Technology

Online Portal School Application and Approval System (with public information and search functions) and Integrated Data Management System:
The ODA database is composed of information about postsecondary institutions that are authorized to operate in Oregon, various academic programs offered by these institutions, and full-time and part-time faculty employed by the institutions. It is limited in functionality, requiring manual tracking and verification of some data elements and reports.

OSAC Information Technology

OSAC distributes state and federal grants, and administers more than 500 private scholarships to Oregon students in pursuit of post-secondary education. The OOG provides approximately \$100 million in need-based grants to 60,000 students each biennium.

FAMS: OSAC has unique requirements for an electronic system which include a financial aid delivery system along with the tracking and management of its student and financial data. External partners and customers access FAMS through web portals. FAMS user base is comprised of OSAC's staff, nearly all of Oregon's Title IV eligible postsecondary institutions, Oregon high schools, some of the State's largest philanthropic organizations and donors, and tens of thousands of Oregon residence. OSAC is awaiting the outcome of the business case evaluation currently being performed by an independent contracting company to evaluate the best course of action for replacing OSAC's current legacy FAMS. Depending on the outcome of the Return on Investment (ROI) evaluations being performed, the cost of a new FAMS will either be in the form of allocation for the purchase of a commercial product or in labor costs associated with developing a system. The labor would either be performed by external contractors or internal staff, both current full-time staff and limited-duration staff.

Summary of 2015-17 Biennium Budget

Higher Education Coordinating Commission
 Higher Education Coordinating Commission
 2015-17 Biennium

Governor's Budget
 Cross Reference Number: 52500-000-00-00-00000

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
2013-15 Leg Adopted Budget	27	20.65	5,387,141	3,111,497	-	1,732,885	342,759	200,000	-
2013-15 Emergency Boards	-	-	(178,736)	(208,137)	-	24,589	4,812	-	-
2013-15 Leg Approved Budget	27	20.65	5,208,405	2,903,360	-	1,757,474	347,571	200,000	-
2015-17 Base Budget Adjustments									
Net Cost of Position Actions									
Administrative Biennialized E-Board, Phase-Out	(4)	0.59	650,253	686,381	-	(54,622)	18,494	-	-
Estimated Cost of Merit Increase			-	-	-	-	-	-	-
Base Debt Service Adjustment			-	-	-	-	-	-	-
Base Nonlimited Adjustment			-	-	-	-	-	-	-
Capital Construction			-	-	-	-	-	-	-
Subtotal 2015-17 Base Budget	23	21.24	5,858,658	3,589,741	-	1,702,852	366,065	200,000	-
Essential Packages									
010 - Non-PICS Pers Svc/Vacancy Factor									
Vacancy Factor (Increase)/Decrease	-	-	(45,957)	(45,957)	-	-	-	-	-
Non-PICS Personal Service Increase/(Decrease)	-	-	42,084	39,541	-	1,913	630	-	-
Subtotal	-	-	(3,873)	(6,416)	-	1,913	630	-	-
020 - Phase In / Out Pgm & One-time Cost									
021 - Phase-in	-	-	19,991,604	19,921,759	-	57,447	12,398	-	-
022 - Phase-out Pgm & One-time Costs	-	-	(176,972)	(19,472)	-	(157,500)	-	-	-
Subtotal	-	-	19,814,632	19,902,287	-	(100,053)	12,398	-	-
030 - Inflation & Price List Adjustments									
Cost of Goods & Services Increase/(Decrease)	-	-	244,613	167,858	-	55,040	15,715	6,000	-
State Gov't & Services Charges Increase/(Decrease)			21,055	10,036	-	7,923	3,096	-	-

Summary of 2015-17 Biennium Budget

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 2015-17 Biennium

Governor's Budget
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Subtotal	-	-	265,668	177,894	-	62,963	18,811	6,000	-
040 - Mandated Caseload									
040 - Mandated Caseload	-	-	-	-	-	-	-	-	-
050 - Fundshifts and Revenue Reductions									
050 - Fundshifts	-	-	-	-	-	-	-	-	-
060 - Technical Adjustments									
060 - Technical Adjustments	56	55.70	653,270,950	505,736,635	10,655,083	7,060,575	110,849,825	-	18,968,832
Subtotal: 2015-17 Current Service Level	79	76.94	679,206,035	529,400,141	10,655,083	8,728,250	111,247,729	206,000	18,968,832

Summary of 2015-17 Biennium Budget

Higher Education Coordinating Commission
 Higher Education Coordinating Commission
 2015-17 Biennium

Governor's Budget
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Subtotal: 2015-17 Current Service Level	79	76.94	679,206,035	529,400,141	10,655,083	8,728,250	111,247,729	206,000	18,968,832
070 - Revenue Reductions/Shortfall									
070 - Revenue Shortfalls	-	(3.67)	(510,485)	-	-	(510,485)	-	-	-
Modified 2015-17 Current Service Level	79	73.27	678,695,550	529,400,141	10,655,083	8,217,765	111,247,729	206,000	18,968,832
080 - E-Boards									
080 - May 2014 E-Board	-	-	1,400,000	1,400,000	-	-	-	-	-
081 - September 2014 E-Board	-	-	-	-	-	-	-	-	-
Subtotal Emergency Board Packages	-	-	1,400,000	1,400,000	-	-	-	-	-
Policy Packages									
090 - Analyst Adjustments	-	-	(36,814,621)	(31,391,304)	(6,669,787)	1,100,000	146,470	-	-
100 - Transfer to HECC	28	25.67	1,077,693,900	976,737,718	52,544,842	48,411,340	-	-	-
101 - Continue HB 5101 tuition buy-down into 2015-17	-	-	71,095,238	71,095,238	-	-	-	-	-
102 - Public University Support Fund	-	-	39,405,244	39,405,244	-	-	-	-	-
111 - Community College Support Fund	-	-	14,994,262	14,994,262	-	-	-	-	-
131 - OSAC Opportunity Grant expansion	-	-	26,184,448	26,184,448	-	-	-	-	-
151 - Community Innovation Center	6	6.00	1,616,489	1,616,489	-	-	-	-	-
152 - Community Leverage Fund	-	-	25,000,000	25,000,000	-	-	-	-	-
201 - CCWD: Youth Employment	4	4.00	15,000,000	15,000,000	-	-	-	-	-
202 - CCWD Incumbent Worker Training	2	2.00	6,000,000	6,000,000	-	-	-	-	-
203 - Restructuring On-going Workforce Initiatives	-	-	-	-	-	-	-	-	-
209 - Community College Capital Construction	-	-	-	-	-	-	-	-	-
211 - OSAC ASPIRE support funds	-	-	20,228	-	-	-	20,228	-	-
212 - OSAC: ASPIRE expansion	3	1.14	641,260	-	-	-	641,260	-	-

Summary of 2015-17 Biennium Budget

Higher Education Coordinating Commission
 Higher Education Coordinating Commission
 2015-17 Biennium

Governor's Budget
 Cross Reference Number: 52500-000-00-00-00000

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
213 - OSAC Student Outreach	4	0.77	731,958	-	-	-	731,958	-	-
214 - OSAC Scholarship Restoration	-	2.00	270,687	300,687	-	(30,000)	-	-	-
231 - HECC: ETIC reconfiguration	-	-	4,706,870	4,706,870	-	-	-	-	-
301 - HECC management streamlining and organizational needs	3	3.00	28,156	301,285	-	(146,126)	(127,003)	-	-
302 - DA/PCS: integrating program approvals & reviews	1	1.00	278,847	-	-	278,847	-	-	-
303 - Integrated research and data team	5	5.00	-	-	-	-	-	-	-
304 - Post-Secondary Education Association Memberships	-	-	-	-	-	-	-	-	-
311 - CWD Work Reconciliation	-	-	-	963,679	-	(54,431)	(909,248)	-	-
312 - CCWD Staffing Gap	-	-	-	-	-	-	-	-	-
313 - OSAC IT needs	-	-	1,000,000	1,000,000	-	-	-	-	-
Subtotal Policy Packages	56	50.58	1,247,852,966	1,151,914,616	45,875,055	49,559,630	503,665	-	-
Total 2015-17 Governor's Budget	135	123.85	1,927,948,516	1,682,714,757	56,530,138	57,777,395	111,751,394	206,000	18,968,832

Percentage Change From 2013-15 Leg Approved Budget	400.00%	499.76%	36,916.10%	57,857.50%	-	3,187.52%	32,052.11%	3.00%	-
Percentage Change From 2015-17 Current Service Level	70.89%	60.97%	183.85%	217.85%	430.55%	561.96%	0.45%	-	-

Summary of 2015-17 Biennium Budget

**Higher Education Coordinating Commission
Operations
2015-17 Biennium**

**Governor's Budget
Cross Reference Number: 52500-001-00-00-00000**

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
2013-15 Leg Adopted Budget	15	10.65	2,949,003	2,949,003	-	-	-	-	-
2013-15 Emergency Boards	-	-	(215,124)	(215,124)	-	-	-	-	-
2013-15 Leg Approved Budget	15	10.65	2,733,879	2,733,879	-	-	-	-	-
2015-17 Base Budget Adjustments									
Net Cost of Position Actions									
Administrative Biennialized E-Board, Phase-Out	(2)	2.35	830,220	830,220	-	-	-	-	-
Estimated Cost of Merit Increase			-	-	-	-	-	-	-
Base Debt Service Adjustment			-	-	-	-	-	-	-
Base Nonlimited Adjustment			-	-	-	-	-	-	-
Capital Construction			-	-	-	-	-	-	-
Subtotal 2015-17 Base Budget	13	13.00	3,564,099	3,564,099	-	-	-	-	-
Essential Packages									
010 - Non-PICS Pers Svc/Vacancy Factor									
Vacancy Factor (Increase)/Decrease	-	-	(45,957)	(45,957)	-	-	-	-	-
Non-PICS Personal Service Increase/(Decrease)	-	-	45,711	45,711	-	-	-	-	-
Subtotal	-	-	(246)	(246)	-	-	-	-	-
020 - Phase In / Out Pgm & One-time Cost									
021 - Phase-in	-	-	19,921,759	19,921,759	-	-	-	-	-
022 - Phase-out Pgm & One-time Costs	-	-	-	-	-	-	-	-	-
Subtotal	-	-	19,921,759	19,921,759	-	-	-	-	-
030 - Inflation & Price List Adjustments									
Cost of Goods & Services Increase/(Decrease)	-	-	167,858	167,858	-	-	-	-	-
State Gov't & Services Charges Increase/(Decrease)			10,036	10,036	-	-	-	-	-

Summary of 2015-17 Biennium Budget

**Higher Education Coordinating Commission
Operations
2015-17 Biennium**

**Governor's Budget
Cross Reference Number: 52500-001-00-00-00000**

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
Subtotal	-	-	177,894	177,894	-	-	-	-	-
040 - Mandated Caseload									
040 - Mandated Caseload	-	-	-	-	-	-	-	-	-
050 - Fundshifts and Revenue Reductions									
050 - Fundshifts	-	-	-	-	-	-	-	-	-
060 - Technical Adjustments									
060 - Technical Adjustments	-	-	-	-	-	-	-	-	-
Subtotal: 2015-17 Current Service Level	13	13.00	23,663,506	23,663,506	-	-	-	-	-

Summary of 2015-17 Biennium Budget

**Higher Education Coordinating Commission
Operations
2015-17 Biennium**

**Governor's Budget
Cross Reference Number: 52500-001-00-00-00000**

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
Subtotal: 2015-17 Current Service Level	13	13.00	23,663,506	23,663,506	-	-	-	-	-
070 - Revenue Reductions/Shortfall									
070 - Revenue Shortfalls	-	-	-	-	-	-	-	-	-
Modified 2015-17 Current Service Level	13	13.00	23,663,506	23,663,506	-	-	-	-	-
080 - E-Boards									
080 - May 2014 E-Board	-	-	1,400,000	1,400,000	-	-	-	-	-
081 - September 2014 E-Board	-	-	-	-	-	-	-	-	-
Subtotal Emergency Board Packages	-	-	1,400,000	1,400,000	-	-	-	-	-
Policy Packages									
090 - Analyst Adjustments	-	-	(24,451,274)	(24,451,274)	-	-	-	-	-
100 - Transfer to HECC	-	-	-	-	-	-	-	-	-
101 - Continue HB 5101 tuition buy-down into 2015-17	-	-	-	-	-	-	-	-	-
102 - Public University Support Fund	-	-	-	-	-	-	-	-	-
111 - Community College Support Fund	-	-	-	-	-	-	-	-	-
131 - OSAC Opportunity Grant expansion	-	-	-	-	-	-	-	-	-
151 - Community Innovation Center	6	6.00	1,616,489	1,616,489	-	-	-	-	-
152 - Community Leverage Fund	-	-	25,000,000	25,000,000	-	-	-	-	-
201 - CCWD: Youth Employment	-	-	-	-	-	-	-	-	-
202 - CCWD Incumbent Worker Training	-	-	-	-	-	-	-	-	-
203 - Restructuring On-going Workforce Initiatives	-	-	-	-	-	-	-	-	-
209 - Community College Capital Construction	-	-	-	-	-	-	-	-	-
211 - OSAC ASPIRE support funds	-	-	-	-	-	-	-	-	-
212 - OSAC: ASPIRE expansion	-	-	-	-	-	-	-	-	-

Summary of 2015-17 Biennium Budget

**Higher Education Coordinating Commission
Operations
2015-17 Biennium**

**Governor's Budget
Cross Reference Number: 52500-001-00-00-00000**

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
213 - OSAC Student Outreach	-	-	-	-	-	-	-	-	-
214 - OSAC Scholarship Restoration	-	-	-	-	-	-	-	-	-
231 - HECC: ETIC reconfiguration	-	-	4,706,870	4,706,870	-	-	-	-	-
301 - HECC management streamlining and organizational needs	3	3.00	419,553	419,553	-	-	-	-	-
302 - DA/PCS: integrating program approvals & reviews	-	-	-	-	-	-	-	-	-
303 - Integrated research and data team	5	5.00	-	-	-	-	-	-	-
304 - Post-Secondary Education Association Memberships	-	-	381,317	381,317	-	-	-	-	-
311 - CWD Work Reconciliation	-	-	-	-	-	-	-	-	-
312 - CCWD Staffing Gap	-	-	-	-	-	-	-	-	-
313 - OSAC IT needs	-	-	-	-	-	-	-	-	-
Subtotal Policy Packages	14	14.00	7,672,955	7,672,955	-	-	-	-	-
Total 2015-17 Governor's Budget	27	27.00	32,736,461	32,736,461	-	-	-	-	-

Percentage Change From 2013-15 Leg Approved Budget	80.00%	153.52%	1,097.44%	1,097.44%	-	-	-	-	-
Percentage Change From 2015-17 Current Service Level	107.69%	107.69%	38.34%	38.34%	-	-	-	-	-

Summary of 2015-17 Biennium Budget

**Higher Education Coordinating Commission
Degree Authorization/Private Career Schools
2015-17 Biennium**

**Governor's Budget
Cross Reference Number: 52500-002-00-00-00000**

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
2013-15 Leg Adopted Budget	12	10.00	2,438,138	162,494	-	1,732,885	342,759	200,000	-
2013-15 Emergency Boards	-	-	36,388	6,987	-	24,589	4,812	-	-
2013-15 Leg Approved Budget	12	10.00	2,474,526	169,481	-	1,757,474	347,571	200,000	-
2015-17 Base Budget Adjustments									
Net Cost of Position Actions									
Administrative Biennialized E-Board, Phase-Out	(2)	(1.76)	(179,967)	(143,839)	-	(54,622)	18,494	-	-
Estimated Cost of Merit Increase			-	-	-	-	-	-	-
Base Debt Service Adjustment			-	-	-	-	-	-	-
Base Nonlimited Adjustment			-	-	-	-	-	-	-
Capital Construction			-	-	-	-	-	-	-
Subtotal 2015-17 Base Budget	10	8.24	2,294,559	25,642	-	1,702,852	366,065	200,000	-
Essential Packages									
010 - Non-PICS Pers Svc/Vacancy Factor									
Non-PICS Personal Service Increase/(Decrease)	-	-	(3,627)	(6,170)	-	1,913	630	-	-
Subtotal	-	-	(3,627)	(6,170)	-	1,913	630	-	-
020 - Phase In / Out Pgm & One-time Cost									
021 - Phase-in	-	-	69,845	-	-	57,447	12,398	-	-
022 - Phase-out Pgm & One-time Costs	-	-	(176,972)	(19,472)	-	(157,500)	-	-	-
Subtotal	-	-	(107,127)	(19,472)	-	(100,053)	12,398	-	-
030 - Inflation & Price List Adjustments									
Cost of Goods & Services Increase/(Decrease)	-	-	76,755	-	-	55,040	15,715	6,000	-
State Gov't & Services Charges Increase/(Decrease)	-	-	11,019	-	-	7,923	3,096	-	-
Subtotal	-	-	87,774	-	-	62,963	18,811	6,000	-

Summary of 2015-17 Biennium Budget

**Higher Education Coordinating Commission
Degree Authorization/Private Career Schools
2015-17 Biennium**

**Governor's Budget
Cross Reference Number: 52500-002-00-00-00000**

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
040 - Mandated Caseload									
040 - Mandated Caseload	-	-	-	-	-	-	-	-	-
050 - Fundshifts and Revenue Reductions									
050 - Fundshifts	-	-	-	-	-	-	-	-	-
060 - Technical Adjustments									
060 - Technical Adjustments	-	-	-	-	-	-	-	-	-
Subtotal: 2015-17 Current Service Level	10	8.24	2,271,579	-	-	1,667,675	397,904	206,000	-

Summary of 2015-17 Biennium Budget

**Higher Education Coordinating Commission
Degree Authorization/Private Career Schools
2015-17 Biennium**

**Governor's Budget
Cross Reference Number: 52500-002-00-00-00000**

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
Subtotal: 2015-17 Current Service Level	10	8.24	2,271,579	-	-	1,667,675	397,904	206,000	-
070 - Revenue Reductions/Shortfall									
070 - Revenue Shortfalls	-	-	-	-	-	-	-	-	-
Modified 2015-17 Current Service Level	10	8.24	2,271,579	-	-	1,667,675	397,904	206,000	-
080 - E-Boards									
080 - May 2014 E-Board	-	-	-	-	-	-	-	-	-
081 - September 2014 E-Board	-	-	-	-	-	-	-	-	-
Subtotal Emergency Board Packages	-	-	-	-	-	-	-	-	-
Policy Packages									
090 - Analyst Adjustments	-	-	-	-	-	-	-	-	-
100 - Transfer to HECC	-	-	-	-	-	-	-	-	-
101 - Continue HB 5101 tuition buy-down into 2015-17	-	-	-	-	-	-	-	-	-
102 - Public University Support Fund	-	-	-	-	-	-	-	-	-
111 - Community College Support Fund	-	-	-	-	-	-	-	-	-
131 - OSAC Opportunity Grant expansion	-	-	-	-	-	-	-	-	-
151 - Community Innovation Center	-	-	-	-	-	-	-	-	-
152 - Community Leverage Fund	-	-	-	-	-	-	-	-	-
201 - CCWD: Youth Employment	-	-	-	-	-	-	-	-	-
202 - CCWD Incumbent Worker Training	-	-	-	-	-	-	-	-	-
203 - Restructuring On-going Workforce Initiatives	-	-	-	-	-	-	-	-	-
209 - Community College Capital Construction	-	-	-	-	-	-	-	-	-
211 - OSAC ASPIRE support funds	-	-	-	-	-	-	-	-	-
212 - OSAC: ASPIRE expansion	-	-	-	-	-	-	-	-	-

Summary of 2015-17 Biennium Budget

**Higher Education Coordinating Commission
Degree Authorization/Private Career Schools
2015-17 Biennium**

**Governor's Budget
Cross Reference Number: 52500-002-00-00-00000**

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
213 - OSAC Student Outreach	-	-	-	-	-	-	-	-	-
214 - OSAC Scholarship Restoration	-	-	-	-	-	-	-	-	-
231 - HECC: ETIC reconfiguration	-	-	-	-	-	-	-	-	-
301 - HECC management streamlining and organizational needs	-	-	(75,408)	-	-	(61,517)	(13,891)	-	-
302 - DA/PCS: integrating program approvals & reviews	1	1.00	278,847	-	-	278,847	-	-	-
303 - Integrated research and data team	-	-	-	-	-	-	-	-	-
304 - Post-Secondary Education Association Memberships	-	-	-	-	-	-	-	-	-
311 - CWD Work Reconciliation	-	-	-	-	-	-	-	-	-
312 - CCWD Staffing Gap	-	-	-	-	-	-	-	-	-
313 - OSAC IT needs	-	-	-	-	-	-	-	-	-
Subtotal Policy Packages	1	1.00	203,439	-	-	217,330	(13,891)	-	-

Total 2015-17 Governor's Budget	11	9.24	2,475,018	-	-	1,885,005	384,013	206,000	-
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Percentage Change From 2013-15 Leg Approved Budget	-8.33%	-7.60%	0.02%	-100.00%	-	7.26%	10.48%	3.00%	-
Percentage Change From 2015-17 Current Service Level	10.00%	12.14%	8.96%	-	-	13.03%	-3.49%	-	-

Summary of 2015-17 Biennium Budget

Higher Education Coordinating Commission
 CCWD Office Operations
 2015-17 Biennium

Governor's Budget
 Cross Reference Number: 52500-011-00-00-00000

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
2013-15 Leg Adopted Budget	-	-	-	-	-	-	-	-	-
2013-15 Emergency Boards	-	-	-	-	-	-	-	-	-
2013-15 Leg Approved Budget	-	-	-	-	-	-	-	-	-
2015-17 Base Budget Adjustments									
Net Cost of Position Actions									
Administrative Biennialized E-Board, Phase-Out	-	-	-	-	-	-	-	-	-
Estimated Cost of Merit Increase			-	-	-	-	-	-	-
Base Debt Service Adjustment			-	-	-	-	-	-	-
Base Nonlimited Adjustment			-	-	-	-	-	-	-
Capital Construction			-	-	-	-	-	-	-
Subtotal 2015-17 Base Budget	-	-	-	-	-	-	-	-	-
020 - Phase In / Out Pgm & One-time Cost									
021 - Phase-in	-	-	-	-	-	-	-	-	-
022 - Phase-out Pgm & One-time Costs	-	-	-	-	-	-	-	-	-
Subtotal	-	-	-	-	-	-	-	-	-
040 - Mandated Caseload									
040 - Mandated Caseload	-	-	-	-	-	-	-	-	-
050 - Fundshifts and Revenue Reductions									
050 - Fundshifts	-	-	-	-	-	-	-	-	-
060 - Technical Adjustments									
060 - Technical Adjustments	53	52.70	31,966,050	14,119,406	-	4,095,143	13,751,501	-	-
Subtotal: 2015-17 Current Service Level	53	52.70	31,966,050	14,119,406	-	4,095,143	13,751,501	-	-

Summary of 2015-17 Biennium Budget

**Higher Education Coordinating Commission
CCWD Office Operations
2015-17 Biennium**

**Governor's Budget
Cross Reference Number: 52500-011-00-00-00000**

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
Subtotal: 2015-17 Current Service Level	53	52.70	31,966,050	14,119,406	-	4,095,143	13,751,501	-	-
070 - Revenue Reductions/Shortfall									
070 - Revenue Shortfalls	-	-	-	-	-	-	-	-	-
Modified 2015-17 Current Service Level	53	52.70	31,966,050	14,119,406	-	4,095,143	13,751,501	-	-
080 - E-Boards									
080 - May 2014 E-Board	-	-	-	-	-	-	-	-	-
081 - September 2014 E-Board	-	-	-	-	-	-	-	-	-
Subtotal Emergency Board Packages	-	-	-	-	-	-	-	-	-
Policy Packages									
090 - Analyst Adjustments	-	-	-	(146,470)	-	-	146,470	-	-
100 - Transfer to HECC	-	-	-	-	-	-	-	-	-
101 - Continue HB 5101 tuition buy-down into 2015-17	-	-	-	-	-	-	-	-	-
102 - Public University Support Fund	-	-	-	-	-	-	-	-	-
111 - Community College Support Fund	-	-	-	-	-	-	-	-	-
131 - OSAC Opportunity Grant expansion	-	-	-	-	-	-	-	-	-
151 - Community Innovation Center	-	-	-	-	-	-	-	-	-
152 - Community Leverage Fund	-	-	-	-	-	-	-	-	-
201 - CCWD: Youth Employment	-	-	-	-	-	-	-	-	-
202 - CCWD Incumbent Worker Training	2	2.00	6,000,000	6,000,000	-	-	-	-	-
203 - Restructuring On-going Workforce Initiatives	-	-	-	-	-	-	-	-	-
209 - Community College Capital Construction	-	-	-	-	-	-	-	-	-
211 - OSAC ASPIRE support funds	-	-	-	-	-	-	-	-	-
212 - OSAC: ASPIRE expansion	-	-	-	-	-	-	-	-	-

Summary of 2015-17 Biennium Budget

Higher Education Coordinating Commission
 CCWD Office Operations
 2015-17 Biennium

Governor's Budget
 Cross Reference Number: 52500-011-00-00-00000

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
213 - OSAC Student Outreach	-	-	-	-	-	-	-	-	-
214 - OSAC Scholarship Restoration	-	-	-	-	-	-	-	-	-
231 - HECC: ETIC reconfiguration	-	-	-	-	-	-	-	-	-
301 - HECC management streamlining and organizational needs	-	-	(217,523)	(73,958)	-	(30,453)	(113,112)	-	-
302 - DA/PCS: integrating program approvals & reviews	-	-	-	-	-	-	-	-	-
303 - Integrated research and data team	-	-	-	-	-	-	-	-	-
304 - Post-Secondary Education Association Memberships	-	-	-	-	-	-	-	-	-
311 - CWD Work Reconciliation	-	-	-	963,679	-	(54,431)	(909,248)	-	-
312 - CCWD Staffing Gap	-	-	-	-	-	-	-	-	-
313 - OSAC IT needs	-	-	-	-	-	-	-	-	-
Subtotal Policy Packages	2	2.00	5,782,477	6,743,251	-	(84,884)	(875,890)	-	-

Total 2015-17 Governor's Budget	55	54.70	37,748,527	20,862,657	-	4,010,259	12,875,611	-	-
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Percentage Change From 2013-15 Leg Approved Budget	-	-	-	-	-	-	-	-	-
Percentage Change From 2015-17 Current Service Level	3.77%	3.80%	18.09%	47.76%	-	-2.07%	-6.37%	-	-

Summary of 2015-17 Biennium Budget

Higher Education Coordinating Commission
 State Support to CCs
 2015-17 Biennium

Governor's Budget
 Cross Reference Number: 52500-012-00-00-00000

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
2013-15 Leg Adopted Budget	-	-	-	-	-	-	-	-	-
2013-15 Emergency Boards	-	-	-	-	-	-	-	-	-
2013-15 Leg Approved Budget	-	-	-	-	-	-	-	-	-
2015-17 Base Budget Adjustments									
Net Cost of Position Actions									
Administrative Biennialized E-Board, Phase-Out	-	-	-	-	-	-	-	-	-
Estimated Cost of Merit Increase	-	-	-	-	-	-	-	-	-
Base Debt Service Adjustment	-	-	-	-	-	-	-	-	-
Base Nonlimited Adjustment	-	-	-	-	-	-	-	-	-
Capital Construction	-	-	-	-	-	-	-	-	-
Subtotal 2015-17 Base Budget	-	-	-	-	-	-	-	-	-
Essential Packages									
010 - Non-PICS Pers Svc/Vacancy Factor									
Non-PICS Personal Service Increase/(Decrease)	-	-	-	-	-	-	-	-	-
Subtotal	-	-	-	-	-	-	-	-	-
020 - Phase In / Out Pgm & One-time Cost									
021 - Phase-in	-	-	-	-	-	-	-	-	-
022 - Phase-out Pgm & One-time Costs	-	-	-	-	-	-	-	-	-
Subtotal	-	-	-	-	-	-	-	-	-
040 - Mandated Caseload									
040 - Mandated Caseload	-	-	-	-	-	-	-	-	-
050 - Fundshifts and Revenue Reductions									
050 - Fundshifts	-	-	-	-	-	-	-	-	-

Summary of 2015-17 Biennium Budget

Higher Education Coordinating Commission
 State Support to CCs
 2015-17 Biennium

Governor's Budget
 Cross Reference Number: 52500-012-00-00-00000

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
060 - Technical Adjustments									
060 - Technical Adjustments	-	-	455,051,548	455,005,738	-	45,810	-	-	-
Subtotal: 2015-17 Current Service Level	-	-	455,051,548	455,005,738	-	45,810	-	-	-

Summary of 2015-17 Biennium Budget

**Higher Education Coordinating Commission
State Support to CCs
2015-17 Biennium**

**Governor's Budget
Cross Reference Number: 52500-012-00-00-00000**

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
Subtotal: 2015-17 Current Service Level	-	-	455,051,548	455,005,738	-	45,810	-	-	-
070 - Revenue Reductions/Shortfall									
070 - Revenue Shortfalls	-	-	-	-	-	-	-	-	-
Modified 2015-17 Current Service Level	-	-	455,051,548	455,005,738	-	45,810	-	-	-
080 - E-Boards									
080 - May 2014 E-Board	-	-	-	-	-	-	-	-	-
081 - September 2014 E-Board	-	-	-	-	-	-	-	-	-
Subtotal Emergency Board Packages	-	-	-	-	-	-	-	-	-
Policy Packages									
090 - Analyst Adjustments	-	-	-	-	-	-	-	-	-
100 - Transfer to HECC	-	-	-	-	-	-	-	-	-
101 - Continue HB 5101 tuition buy-down into 2015-17	-	-	30,000,000	30,000,000	-	-	-	-	-
102 - Public University Support Fund	-	-	-	-	-	-	-	-	-
111 - Community College Support Fund	-	-	14,994,262	14,994,262	-	-	-	-	-
131 - OSAC Opportunity Grant expansion	-	-	-	-	-	-	-	-	-
151 - Community Innovation Center	-	-	-	-	-	-	-	-	-
152 - Community Leverage Fund	-	-	-	-	-	-	-	-	-
201 - CCWD: Youth Employment	-	-	-	-	-	-	-	-	-
202 - CCWD Incumbent Worker Training	-	-	-	-	-	-	-	-	-
203 - Restructuring On-going Workforce Initiatives	-	-	-	-	-	-	-	-	-
209 - Community College Capital Construction	-	-	-	-	-	-	-	-	-
211 - OSAC ASPIRE support funds	-	-	-	-	-	-	-	-	-
212 - OSAC: ASPIRE expansion	-	-	-	-	-	-	-	-	-

Summary of 2015-17 Biennium Budget

**Higher Education Coordinating Commission
State Support to CCs
2015-17 Biennium**

**Governor's Budget
Cross Reference Number: 52500-012-00-00-00000**

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
213 - OSAC Student Outreach	-	-	-	-	-	-	-	-	-
214 - OSAC Scholarship Restoration	-	-	-	-	-	-	-	-	-
231 - HECC: ETIC reconfiguration	-	-	-	-	-	-	-	-	-
301 - HECC management streamlining and organizational needs	-	-	-	-	-	-	-	-	-
302 - DA/PCS: integrating program approvals & reviews	-	-	-	-	-	-	-	-	-
303 - Integrated research and data team	-	-	-	-	-	-	-	-	-
304 - Post-Secondary Education Association Memberships	-	-	-	-	-	-	-	-	-
311 - CWD Work Reconciliation	-	-	-	-	-	-	-	-	-
312 - CCWD Staffing Gap	-	-	-	-	-	-	-	-	-
313 - OSAC IT needs	-	-	-	-	-	-	-	-	-
Subtotal Policy Packages	-	-	44,994,262	44,994,262	-	-	-	-	-
Total 2015-17 Governor's Budget	-	-	500,045,810	500,000,000	-	45,810	-	-	-
Percentage Change From 2013-15 Leg Approved Budget	-	-	-	-	-	-	-	-	-
Percentage Change From 2015-17 Current Service Level	-	-	9.89%	9.89%	-	-	-	-	-

Summary of 2015-17 Biennium Budget

Higher Education Coordinating Commission
 CCWD Federal/Other Support
 2015-17 Biennium

Governor's Budget
 Cross Reference Number: 52500-013-00-00-00000

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
2013-15 Leg Adopted Budget	-	-	-	-	-	-	-	-	-
2013-15 Emergency Boards	-	-	-	-	-	-	-	-	-
2013-15 Leg Approved Budget	-	-	-	-	-	-	-	-	-
2015-17 Base Budget Adjustments									
Net Cost of Position Actions									
Administrative Biennialized E-Board, Phase-Out	-	-	-	-	-	-	-	-	-
Estimated Cost of Merit Increase			-	-	-	-	-	-	-
Base Debt Service Adjustment			-	-	-	-	-	-	-
Base Nonlimited Adjustment			-	-	-	-	-	-	-
Capital Construction			-	-	-	-	-	-	-
Subtotal 2015-17 Base Budget	-	-	-	-	-	-	-	-	-
020 - Phase In / Out Pgm & One-time Cost									
021 - Phase-in	-	-	-	-	-	-	-	-	-
022 - Phase-out Pgm & One-time Costs	-	-	-	-	-	-	-	-	-
Subtotal	-	-	-	-	-	-	-	-	-
040 - Mandated Caseload									
040 - Mandated Caseload	-	-	-	-	-	-	-	-	-
050 - Fundshifts and Revenue Reductions									
050 - Fundshifts	-	-	-	-	-	-	-	-	-
060 - Technical Adjustments									
060 - Technical Adjustments	-	-	115,328,803	-	-	427,582	95,932,390	-	18,968,831
Subtotal: 2015-17 Current Service Level	-	-	115,328,803	-	-	427,582	95,932,390	-	18,968,831

Summary of 2015-17 Biennium Budget

**Higher Education Coordinating Commission
CCWD Federal/Other Support
2015-17 Biennium**

**Governor's Budget
Cross Reference Number: 52500-013-00-00-00000**

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
Subtotal: 2015-17 Current Service Level	-	-	115,328,803	-	-	427,582	95,932,390	-	18,968,831
070 - Revenue Reductions/Shortfall									
070 - Revenue Shortfalls	-	-	-	-	-	-	-	-	-
Modified 2015-17 Current Service Level	-	-	115,328,803	-	-	427,582	95,932,390	-	18,968,831
080 - E-Boards									
080 - May 2014 E-Board	-	-	-	-	-	-	-	-	-
081 - September 2014 E-Board	-	-	-	-	-	-	-	-	-
Subtotal Emergency Board Packages	-	-	-	-	-	-	-	-	-
Policy Packages									
090 - Analyst Adjustments	-	-	-	-	-	-	-	-	-
100 - Transfer to HECC	-	-	-	-	-	-	-	-	-
101 - Continue HB 5101 tuition buy-down into 2015-17	-	-	-	-	-	-	-	-	-
102 - Public University Support Fund	-	-	-	-	-	-	-	-	-
111 - Community College Support Fund	-	-	-	-	-	-	-	-	-
131 - OSAC Opportunity Grant expansion	-	-	-	-	-	-	-	-	-
151 - Community Innovation Center	-	-	-	-	-	-	-	-	-
152 - Community Leverage Fund	-	-	-	-	-	-	-	-	-
201 - CCWD: Youth Employment	-	-	-	-	-	-	-	-	-
202 - CCWD Incumbent Worker Training	-	-	-	-	-	-	-	-	-
203 - Restructuring On-going Workforce Initiatives	-	-	-	-	-	-	-	-	-
209 - Community College Capital Construction	-	-	-	-	-	-	-	-	-
211 - OSAC ASPIRE support funds	-	-	-	-	-	-	-	-	-
212 - OSAC: ASPIRE expansion	-	-	-	-	-	-	-	-	-

Summary of 2015-17 Biennium Budget

**Higher Education Coordinating Commission
CCWD Federal/Other Support
2015-17 Biennium**

**Governor's Budget
Cross Reference Number: 52500-013-00-00-00000**

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
213 - OSAC Student Outreach	-	-	-	-	-	-	-	-	-
214 - OSAC Scholarship Restoration	-	-	-	-	-	-	-	-	-
231 - HECC: ETIC reconfiguration	-	-	-	-	-	-	-	-	-
301 - HECC management streamlining and organizational needs	-	-	-	-	-	-	-	-	-
302 - DA/PCS: integrating program approvals & reviews	-	-	-	-	-	-	-	-	-
303 - Integrated research and data team	-	-	-	-	-	-	-	-	-
304 - Post-Secondary Education Association Memberships	-	-	-	-	-	-	-	-	-
311 - CWD Work Reconciliation	-	-	-	-	-	-	-	-	-
312 - CCWD Staffing Gap	-	-	-	-	-	-	-	-	-
313 - OSAC IT needs	-	-	-	-	-	-	-	-	-
Subtotal Policy Packages	-	-	-	-	-	-	-	-	-
Total 2015-17 Governor's Budget	-	-	115,328,803	-	-	427,582	95,932,390	-	18,968,831

Percentage Change From 2013-15 Leg Approved Budget - - - - -
 Percentage Change From 2015-17 Current Service Level - - - - -

Summary of 2015-17 Biennium Budget

Higher Education Coordinating Commission
 Youth Conservation Corp
 2015-17 Biennium

Governor's Budget
 Cross Reference Number: 52500-014-00-00-00000

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
2013-15 Leg Adopted Budget	-	-	-	-	-	-	-	-	-
2013-15 Emergency Boards	-	-	-	-	-	-	-	-	-
2013-15 Leg Approved Budget	-	-	-	-	-	-	-	-	-
2015-17 Base Budget Adjustments									
Net Cost of Position Actions									
Administrative Biennialized E-Board, Phase-Out	-	-	-	-	-	-	-	-	-
Estimated Cost of Merit Increase			-	-	-	-	-	-	-
Base Debt Service Adjustment			-	-	-	-	-	-	-
Base Nonlimited Adjustment			-	-	-	-	-	-	-
Capital Construction			-	-	-	-	-	-	-
Subtotal 2015-17 Base Budget	-	-	-	-	-	-	-	-	-
020 - Phase In / Out Pgm & One-time Cost									
021 - Phase-in	-	-	-	-	-	-	-	-	-
022 - Phase-out Pgm & One-time Costs	-	-	-	-	-	-	-	-	-
Subtotal	-	-	-	-	-	-	-	-	-
040 - Mandated Caseload									
040 - Mandated Caseload	-	-	-	-	-	-	-	-	-
050 - Fundshifts and Revenue Reductions									
050 - Fundshifts	-	-	-	-	-	-	-	-	-
060 - Technical Adjustments									
060 - Technical Adjustments	3	3.00	3,657,974	-	-	2,492,040	1,165,934	-	-
Subtotal: 2015-17 Current Service Level	3	3.00	3,657,974	-	-	2,492,040	1,165,934	-	-

Summary of 2015-17 Biennium Budget

**Higher Education Coordinating Commission
Youth Conservation Corp
2015-17 Biennium**

**Governor's Budget
Cross Reference Number: 52500-014-00-00-00000**

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
Subtotal: 2015-17 Current Service Level	3	3.00	3,657,974	-	-	2,492,040	1,165,934	-	-
070 - Revenue Reductions/Shortfall									
070 - Revenue Shortfalls	-	-	-	-	-	-	-	-	-
Modified 2015-17 Current Service Level	3	3.00	3,657,974	-	-	2,492,040	1,165,934	-	-
080 - E-Boards									
080 - May 2014 E-Board	-	-	-	-	-	-	-	-	-
081 - September 2014 E-Board	-	-	-	-	-	-	-	-	-
Subtotal Emergency Board Packages	-	-	-	-	-	-	-	-	-
Policy Packages									
090 - Analyst Adjustments	-	-	-	-	-	-	-	-	-
100 - Transfer to HECC	-	-	-	-	-	-	-	-	-
101 - Continue HB 5101 tuition buy-down into 2015-17	-	-	-	-	-	-	-	-	-
102 - Public University Support Fund	-	-	-	-	-	-	-	-	-
111 - Community College Support Fund	-	-	-	-	-	-	-	-	-
131 - OSAC Opportunity Grant expansion	-	-	-	-	-	-	-	-	-
151 - Community Innovation Center	-	-	-	-	-	-	-	-	-
152 - Community Leverage Fund	-	-	-	-	-	-	-	-	-
201 - CCWD: Youth Employment	4	4.00	15,000,000	15,000,000	-	-	-	-	-
202 - CCWD Incumbent Worker Training	-	-	-	-	-	-	-	-	-
203 - Restructuring On-going Workforce Initiatives	-	-	-	-	-	-	-	-	-
209 - Community College Capital Construction	-	-	-	-	-	-	-	-	-
211 - OSAC ASPIRE support funds	-	-	-	-	-	-	-	-	-
212 - OSAC: ASPIRE expansion	-	-	-	-	-	-	-	-	-

Summary of 2015-17 Biennium Budget

**Higher Education Coordinating Commission
Youth Conservation Corp
2015-17 Biennium**

**Governor's Budget
Cross Reference Number: 52500-014-00-00-00000**

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
213 - OSAC Student Outreach	-	-	-	-	-	-	-	-	-
214 - OSAC Scholarship Restoration	-	-	-	-	-	-	-	-	-
231 - HECC: ETIC reconfiguration	-	-	-	-	-	-	-	-	-
301 - HECC management streamlining and organizational needs	-	-	-	-	-	-	-	-	-
302 - DA/PCS: integrating program approvals & reviews	-	-	-	-	-	-	-	-	-
303 - Integrated research and data team	-	-	-	-	-	-	-	-	-
304 - Post-Secondary Education Association Memberships	-	-	-	-	-	-	-	-	-
311 - CWD Work Reconciliation	-	-	-	-	-	-	-	-	-
312 - CCWD Staffing Gap	-	-	-	-	-	-	-	-	-
313 - OSAC IT needs	-	-	-	-	-	-	-	-	-
Subtotal Policy Packages	4	4.00	15,000,000	15,000,000	-	-	-	-	-

Total 2015-17 Governor's Budget	7	7.00	18,657,974	15,000,000	-	2,492,040	1,165,934	-	-
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Percentage Change From 2013-15 Leg Approved Budget	-	-	-	-	-	-	-	-	-
Percentage Change From 2015-17 Current Service Level	133.33%	133.33%	410.06%	-	-	-	-	-	-

Summary of 2015-17 Biennium Budget

Higher Education Coordinating Commission
 CCWD Debt Services
 2015-17 Biennium

Governor's Budget
 Cross Reference Number: 52500-015-00-00-00000

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
2013-15 Leg Adopted Budget	-	-	-	-	-	-	-	-	-
2013-15 Emergency Boards	-	-	-	-	-	-	-	-	-
2013-15 Leg Approved Budget	-	-	-	-	-	-	-	-	-
2015-17 Base Budget Adjustments									
Net Cost of Position Actions									
Administrative Biennialized E-Board, Phase-Out	-	-	-	-	-	-	-	-	-
Estimated Cost of Merit Increase	-	-	-	-	-	-	-	-	-
Base Debt Service Adjustment	-	-	-	-	-	-	-	-	-
Base Nonlimited Adjustment	-	-	-	-	-	-	-	-	-
Capital Construction	-	-	-	-	-	-	-	-	-
Subtotal 2015-17 Base Budget	-	-	-	-	-	-	-	-	-
020 - Phase In / Out Pgm & One-time Cost									
021 - Phase-in	-	-	-	-	-	-	-	-	-
022 - Phase-out Pgm & One-time Costs	-	-	-	-	-	-	-	-	-
Subtotal	-	-	-	-	-	-	-	-	-
040 - Mandated Caseload									
040 - Mandated Caseload	-	-	-	-	-	-	-	-	-
050 - Fundshifts and Revenue Reductions									
050 - Fundshifts	-	-	-	-	-	-	-	-	-
060 - Technical Adjustments									
060 - Technical Adjustments	-	-	47,266,575	36,611,491	10,655,083	-	-	-	†
Subtotal: 2015-17 Current Service Level	-	-	47,266,575	36,611,491	10,655,083	-	-	-	†

Summary of 2015-17 Biennium Budget

**Higher Education Coordinating Commission
CCWD Debt Services
2015-17 Biennium**

**Governor's Budget
Cross Reference Number: 52500-015-00-00-00000**

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
Subtotal: 2015-17 Current Service Level	-	-	47,266,575	36,611,491	10,655,083	-	-	-	1
070 - Revenue Reductions/Shortfall									
070 - Revenue Shortfalls	-	-	-	-	-	-	-	-	-
Modified 2015-17 Current Service Level	-	-	47,266,575	36,611,491	10,655,083	-	-	-	1
080 - E-Boards									
080 - May 2014 E-Board	-	-	-	-	-	-	-	-	-
081 - September 2014 E-Board	-	-	-	-	-	-	-	-	-
Subtotal Emergency Board Packages	-	-	-	-	-	-	-	-	-
Policy Packages									
090 - Analyst Adjustments	-	-	(9,600,000)	(9,600,000)	-	-	-	-	-
100 - Transfer to HECC	-	-	-	-	-	-	-	-	-
101 - Continue HB 5101 tuition buy-down into 2015-17	-	-	-	-	-	-	-	-	-
102 - Public University Support Fund	-	-	-	-	-	-	-	-	-
111 - Community College Support Fund	-	-	-	-	-	-	-	-	-
131 - OSAC Opportunity Grant expansion	-	-	-	-	-	-	-	-	-
151 - Community Innovation Center	-	-	-	-	-	-	-	-	-
152 - Community Leverage Fund	-	-	-	-	-	-	-	-	-
201 - CCWD: Youth Employment	-	-	-	-	-	-	-	-	-
202 - CCWD Incumbent Worker Training	-	-	-	-	-	-	-	-	-
203 - Restructuring On-going Workforce Initiatives	-	-	-	-	-	-	-	-	-
209 - Community College Capital Construction	-	-	-	-	-	-	-	-	-
211 - OSAC ASPIRE support funds	-	-	-	-	-	-	-	-	-
212 - OSAC: ASPIRE expansion	-	-	-	-	-	-	-	-	-

Summary of 2015-17 Biennium Budget

**Higher Education Coordinating Commission
CCWD Debt Services
2015-17 Biennium**

**Governor's Budget
Cross Reference Number: 52500-015-00-00-00000**

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
213 - OSAC Student Outreach	-	-	-	-	-	-	-	-	-
214 - OSAC Scholarship Restoration	-	-	-	-	-	-	-	-	-
231 - HECC: ETIC reconfiguration	-	-	-	-	-	-	-	-	-
301 - HECC management streamlining and organizational needs	-	-	-	-	-	-	-	-	-
302 - DA/PCS: integrating program approvals & reviews	-	-	-	-	-	-	-	-	-
303 - Integrated research and data team	-	-	-	-	-	-	-	-	-
304 - Post-Secondary Education Association Memberships	-	-	-	-	-	-	-	-	-
311 - CWD Work Reconciliation	-	-	-	-	-	-	-	-	-
312 - CCWD Staffing Gap	-	-	-	-	-	-	-	-	-
313 - OSAC IT needs	-	-	-	-	-	-	-	-	-
Subtotal Policy Packages	-	-	(9,600,000)	(9,600,000)	-	-	-	-	-
Total 2015-17 Governor's Budget	-	-	37,666,575	27,011,491	10,655,083	-	-	-	1
Percentage Change From 2013-15 Leg Approved Budget	-	-	-	-	-	-	-	-	-
Percentage Change From 2015-17 Current Service Level	-	-	-20.31%	-26.22%	-	-	-	-	-

Summary of 2015-17 Biennium Budget

**Higher Education Coordinating Commission
Public University Support Fund
2015-17 Biennium**

**Governor's Budget
Cross Reference Number: 52500-021-00-00-00000**

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
2013-15 Leg Adopted Budget	-	-	-	-	-	-	-	-	-
2013-15 Emergency Boards	-	-	-	-	-	-	-	-	-
2013-15 Leg Approved Budget	-	-	-	-	-	-	-	-	-
2015-17 Base Budget Adjustments									
Net Cost of Position Actions									
Administrative Biennialized E-Board, Phase-Out	-	-	-	-	-	-	-	-	-
Estimated Cost of Merit Increase			-	-	-	-	-	-	-
Base Debt Service Adjustment			-	-	-	-	-	-	-
Base Nonlimited Adjustment			-	-	-	-	-	-	-
Capital Construction			-	-	-	-	-	-	-
Subtotal 2015-17 Base Budget	-	-	-	-	-	-	-	-	-
020 - Phase In / Out Pgm & One-time Cost									
021 - Phase-in	-	-	-	-	-	-	-	-	-
022 - Phase-out Pgm & One-time Costs	-	-	-	-	-	-	-	-	-
Subtotal	-	-	-	-	-	-	-	-	-
040 - Mandated Caseload									
040 - Mandated Caseload	-	-	-	-	-	-	-	-	-
050 - Fundshifts and Revenue Reductions									
050 - Fundshifts	-	-	-	-	-	-	-	-	-
060 - Technical Adjustments									
060 - Technical Adjustments	-	-	-	-	-	-	-	-	-
Subtotal: 2015-17 Current Service Level	-	-	-	-	-	-	-	-	-

Summary of 2015-17 Biennium Budget

**Higher Education Coordinating Commission
Public University Support Fund
2015-17 Biennium**

**Governor's Budget
Cross Reference Number: 52500-021-00-00-00000**

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
Subtotal: 2015-17 Current Service Level	-	-	-	-	-	-	-	-	-
070 - Revenue Reductions/Shortfall									
070 - Revenue Shortfalls	-	-	-	-	-	-	-	-	-
Modified 2015-17 Current Service Level	-	-	-	-	-	-	-	-	-
080 - E-Boards									
080 - May 2014 E-Board	-	-	-	-	-	-	-	-	-
081 - September 2014 E-Board	-	-	-	-	-	-	-	-	-
Subtotal Emergency Board Packages	-	-	-	-	-	-	-	-	-
Policy Packages									
090 - Analyst Adjustments	-	-	-	-	-	-	-	-	-
100 - Transfer to HECC	-	-	513,609,162	513,609,162	-	-	-	-	-
101 - Continue HB 5101 tuition buy-down into 2015-17	-	-	41,095,238	41,095,238	-	-	-	-	-
102 - Public University Support Fund	-	-	39,405,244	39,405,244	-	-	-	-	-
111 - Community College Support Fund	-	-	-	-	-	-	-	-	-
131 - OSAC Opportunity Grant expansion	-	-	-	-	-	-	-	-	-
151 - Community Innovation Center	-	-	-	-	-	-	-	-	-
152 - Community Leverage Fund	-	-	-	-	-	-	-	-	-
201 - CCWD: Youth Employment	-	-	-	-	-	-	-	-	-
202 - CCWD Incumbent Worker Training	-	-	-	-	-	-	-	-	-
203 - Restructuring On-going Workforce Initiatives	-	-	-	-	-	-	-	-	-
209 - Community College Capital Construction	-	-	-	-	-	-	-	-	-
211 - OSAC ASPIRE support funds	-	-	-	-	-	-	-	-	-
212 - OSAC: ASPIRE expansion	-	-	-	-	-	-	-	-	-

Summary of 2015-17 Biennium Budget

Higher Education Coordinating Commission
 Public University Support Fund
 2015-17 Biennium

Governor's Budget
 Cross Reference Number: 52500-021-00-00-00000

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
213 - OSAC Student Outreach	-	-	-	-	-	-	-	-	-
214 - OSAC Scholarship Restoration	-	-	-	-	-	-	-	-	-
231 - HECC: ETIC reconfiguration	-	-	-	-	-	-	-	-	-
301 - HECC management streamlining and organizational needs	-	-	-	-	-	-	-	-	-
302 - DA/PCS: integrating program approvals & reviews	-	-	-	-	-	-	-	-	-
303 - Integrated research and data team	-	-	-	-	-	-	-	-	-
304 - Post-Secondary Education Association Memberships	-	-	(381,317)	(381,317)	-	-	-	-	-
311 - CWD Work Reconciliation	-	-	-	-	-	-	-	-	-
312 - CCWD Staffing Gap	-	-	-	-	-	-	-	-	-
313 - OSAC IT needs	-	-	-	-	-	-	-	-	-
Subtotal Policy Packages	-	-	593,728,327	593,728,327	-	-	-	-	-
Total 2015-17 Governor's Budget	-	-	593,728,327	593,728,327	-	-	-	-	-

Percentage Change From 2013-15 Leg Approved Budget	-	-	-	-	-	-	-	-	-
Percentage Change From 2015-17 Current Service Level	-	-	-	-	-	-	-	-	-

Summary of 2015-17 Biennium Budget

**Higher Education Coordinating Commission
Agricultural Experiment Station
2015-17 Biennium**

**Governor's Budget
Cross Reference Number: 52500-022-00-00-00000**

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
2013-15 Leg Adopted Budget	-	-	-	-	-	-	-	-	-
2013-15 Emergency Boards	-	-	-	-	-	-	-	-	-
2013-15 Leg Approved Budget	-	-	-	-	-	-	-	-	-
2015-17 Base Budget Adjustments									
Net Cost of Position Actions									
Administrative Biennialized E-Board, Phase-Out	-	-	-	-	-	-	-	-	-
Estimated Cost of Merit Increase			-	-	-	-	-	-	-
Base Debt Service Adjustment			-	-	-	-	-	-	-
Base Nonlimited Adjustment			-	-	-	-	-	-	-
Capital Construction			-	-	-	-	-	-	-
Subtotal 2015-17 Base Budget	-	-	-	-	-	-	-	-	-
020 - Phase In / Out Pgm & One-time Cost									
021 - Phase-in	-	-	-	-	-	-	-	-	-
022 - Phase-out Pgm & One-time Costs	-	-	-	-	-	-	-	-	-
Subtotal	-	-	-	-	-	-	-	-	-
040 - Mandated Caseload									
040 - Mandated Caseload	-	-	-	-	-	-	-	-	-
050 - Fundshifts and Revenue Reductions									
050 - Fundshifts	-	-	-	-	-	-	-	-	-
060 - Technical Adjustments									
060 - Technical Adjustments	-	-	-	-	-	-	-	-	-
Subtotal: 2015-17 Current Service Level	-	-	-	-	-	-	-	-	-

Summary of 2015-17 Biennium Budget

**Higher Education Coordinating Commission
Agricultural Experiment Station
2015-17 Biennium**

**Governor's Budget
Cross Reference Number: 52500-022-00-00-00000**

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
Subtotal: 2015-17 Current Service Level	-	-	-	-	-	-	-	-	-
070 - Revenue Reductions/Shortfall									
070 - Revenue Shortfalls	-	-	-	-	-	-	-	-	-
Modified 2015-17 Current Service Level	-	-	-	-	-	-	-	-	-
080 - E-Boards									
080 - May 2014 E-Board	-	-	-	-	-	-	-	-	-
081 - September 2014 E-Board	-	-	-	-	-	-	-	-	-
Subtotal Emergency Board Packages	-	-	-	-	-	-	-	-	-
Policy Packages									
090 - Analyst Adjustments	-	-	-	-	-	-	-	-	-
100 - Transfer to HECC	-	-	56,996,066	56,996,066	-	-	-	-	-
101 - Continue HB 5101 tuition buy-down into 2015-17	-	-	-	-	-	-	-	-	-
102 - Public University Support Fund	-	-	-	-	-	-	-	-	-
111 - Community College Support Fund	-	-	-	-	-	-	-	-	-
131 - OSAC Opportunity Grant expansion	-	-	-	-	-	-	-	-	-
151 - Community Innovation Center	-	-	-	-	-	-	-	-	-
152 - Community Leverage Fund	-	-	-	-	-	-	-	-	-
201 - CCWD: Youth Employment	-	-	-	-	-	-	-	-	-
202 - CCWD Incumbent Worker Training	-	-	-	-	-	-	-	-	-
203 - Restructuring On-going Workforce Initiatives	-	-	-	-	-	-	-	-	-
209 - Community College Capital Construction	-	-	-	-	-	-	-	-	-
211 - OSAC ASPIRE support funds	-	-	-	-	-	-	-	-	-
212 - OSAC: ASPIRE expansion	-	-	-	-	-	-	-	-	-

Summary of 2015-17 Biennium Budget

**Higher Education Coordinating Commission
Agricultural Experiment Station
2015-17 Biennium**

**Governor's Budget
Cross Reference Number: 52500-022-00-00-00000**

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
213 - OSAC Student Outreach	-	-	-	-	-	-	-	-	-
214 - OSAC Scholarship Restoration	-	-	-	-	-	-	-	-	-
231 - HECC: ETIC reconfiguration	-	-	-	-	-	-	-	-	-
301 - HECC management streamlining and organizational needs	-	-	-	-	-	-	-	-	-
302 - DA/PCS: integrating program approvals & reviews	-	-	-	-	-	-	-	-	-
303 - Integrated research and data team	-	-	-	-	-	-	-	-	-
304 - Post-Secondary Education Association Memberships	-	-	-	-	-	-	-	-	-
311 - CWD Work Reconciliation	-	-	-	-	-	-	-	-	-
312 - CCWD Staffing Gap	-	-	-	-	-	-	-	-	-
313 - OSAC IT needs	-	-	-	-	-	-	-	-	-
Subtotal Policy Packages	-	-	56,996,066	56,996,066	-	-	-	-	-
Total 2015-17 Governor's Budget	-	-	56,996,066	56,996,066	-	-	-	-	-
Percentage Change From 2013-15 Leg Approved Budget	-	-	-	-	-	-	-	-	-
Percentage Change From 2015-17 Current Service Level	-	-	-	-	-	-	-	-	-

Summary of 2015-17 Biennium Budget

**Higher Education Coordinating Commission
Extension Service
2015-17 Biennium**

**Governor's Budget
Cross Reference Number: 52500-023-00-00-00000**

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
2013-15 Leg Adopted Budget	-	-	-	-	-	-	-	-	-
2013-15 Emergency Boards	-	-	-	-	-	-	-	-	-
2013-15 Leg Approved Budget	-	-	-	-	-	-	-	-	-
2015-17 Base Budget Adjustments									
Net Cost of Position Actions									
Administrative Biennialized E-Board, Phase-Out	-	-	-	-	-	-	-	-	-
Estimated Cost of Merit Increase			-	-	-	-	-	-	-
Base Debt Service Adjustment			-	-	-	-	-	-	-
Base Nonlimited Adjustment			-	-	-	-	-	-	-
Capital Construction			-	-	-	-	-	-	-
Subtotal 2015-17 Base Budget	-	-	-	-	-	-	-	-	-
020 - Phase In / Out Pgm & One-time Cost									
021 - Phase-in	-	-	-	-	-	-	-	-	-
022 - Phase-out Pgm & One-time Costs	-	-	-	-	-	-	-	-	-
Subtotal	-	-	-	-	-	-	-	-	-
040 - Mandated Caseload									
040 - Mandated Caseload	-	-	-	-	-	-	-	-	-
050 - Fundshifts and Revenue Reductions									
050 - Fundshifts	-	-	-	-	-	-	-	-	-
060 - Technical Adjustments									
060 - Technical Adjustments	-	-	-	-	-	-	-	-	-
Subtotal: 2015-17 Current Service Level	-	-	-	-	-	-	-	-	-

Summary of 2015-17 Biennium Budget

**Higher Education Coordinating Commission
Extension Service
2015-17 Biennium**

**Governor's Budget
Cross Reference Number: 52500-023-00-00-00000**

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
Subtotal: 2015-17 Current Service Level	-	-	-	-	-	-	-	-	-
070 - Revenue Reductions/Shortfall									
070 - Revenue Shortfalls	-	-	-	-	-	-	-	-	-
Modified 2015-17 Current Service Level	-	-	-	-	-	-	-	-	-
080 - E-Boards									
080 - May 2014 E-Board	-	-	-	-	-	-	-	-	-
081 - September 2014 E-Board	-	-	-	-	-	-	-	-	-
Subtotal Emergency Board Packages	-	-	-	-	-	-	-	-	-
Policy Packages									
090 - Analyst Adjustments	-	-	-	-	-	-	-	-	-
100 - Transfer to HECC	-	-	41,226,540	41,226,540	-	-	-	-	-
101 - Continue HB 5101 tuition buy-down into 2015-17	-	-	-	-	-	-	-	-	-
102 - Public University Support Fund	-	-	-	-	-	-	-	-	-
111 - Community College Support Fund	-	-	-	-	-	-	-	-	-
131 - OSAC Opportunity Grant expansion	-	-	-	-	-	-	-	-	-
151 - Community Innovation Center	-	-	-	-	-	-	-	-	-
152 - Community Leverage Fund	-	-	-	-	-	-	-	-	-
201 - CCWD: Youth Employment	-	-	-	-	-	-	-	-	-
202 - CCWD Incumbent Worker Training	-	-	-	-	-	-	-	-	-
203 - Restructuring On-going Workforce Initiatives	-	-	-	-	-	-	-	-	-
209 - Community College Capital Construction	-	-	-	-	-	-	-	-	-
211 - OSAC ASPIRE support funds	-	-	-	-	-	-	-	-	-
212 - OSAC: ASPIRE expansion	-	-	-	-	-	-	-	-	-

Summary of 2015-17 Biennium Budget

**Higher Education Coordinating Commission
Extension Service
2015-17 Biennium**

**Governor's Budget
Cross Reference Number: 52500-023-00-00-00000**

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
213 - OSAC Student Outreach	-	-	-	-	-	-	-	-	-
214 - OSAC Scholarship Restoration	-	-	-	-	-	-	-	-	-
231 - HECC: ETIC reconfiguration	-	-	-	-	-	-	-	-	-
301 - HECC management streamlining and organizational needs	-	-	-	-	-	-	-	-	-
302 - DA/PCS: integrating program approvals & reviews	-	-	-	-	-	-	-	-	-
303 - Integrated research and data team	-	-	-	-	-	-	-	-	-
304 - Post-Secondary Education Association Memberships	-	-	-	-	-	-	-	-	-
311 - CWD Work Reconciliation	-	-	-	-	-	-	-	-	-
312 - CCWD Staffing Gap	-	-	-	-	-	-	-	-	-
313 - OSAC IT needs	-	-	-	-	-	-	-	-	-
Subtotal Policy Packages	-	-	41,226,540	41,226,540	-	-	-	-	-
Total 2015-17 Governor's Budget	-	-	41,226,540	41,226,540	-	-	-	-	-

Percentage Change From 2013-15 Leg Approved Budget	-	-	-	-	-	-	-	-	-
Percentage Change From 2015-17 Current Service Level	-	-	-	-	-	-	-	-	-

Summary of 2015-17 Biennium Budget

Higher Education Coordinating Commission
 Forest Research Laboratory
 2015-17 Biennium

Governor's Budget
 Cross Reference Number: 52500-024-00-00-00000

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
2013-15 Leg Adopted Budget	-	-	-	-	-	-	-	-	-
2013-15 Emergency Boards	-	-	-	-	-	-	-	-	-
2013-15 Leg Approved Budget	-	-	-	-	-	-	-	-	-
2015-17 Base Budget Adjustments									
Net Cost of Position Actions									
Administrative Biennialized E-Board, Phase-Out	-	-	-	-	-	-	-	-	-
Estimated Cost of Merit Increase			-	-	-	-	-	-	-
Base Debt Service Adjustment			-	-	-	-	-	-	-
Base Nonlimited Adjustment			-	-	-	-	-	-	-
Capital Construction			-	-	-	-	-	-	-
Subtotal 2015-17 Base Budget	-	-	-	-	-	-	-	-	-
020 - Phase In / Out Pgm & One-time Cost									
021 - Phase-in	-	-	-	-	-	-	-	-	-
022 - Phase-out Pgm & One-time Costs	-	-	-	-	-	-	-	-	-
Subtotal	-	-	-	-	-	-	-	-	-
040 - Mandated Caseload									
040 - Mandated Caseload	-	-	-	-	-	-	-	-	-
050 - Fundshifts and Revenue Reductions									
050 - Fundshifts	-	-	-	-	-	-	-	-	-
060 - Technical Adjustments									
060 - Technical Adjustments	-	-	-	-	-	-	-	-	-
Subtotal: 2015-17 Current Service Level	-	-	-	-	-	-	-	-	-

Summary of 2015-17 Biennium Budget

**Higher Education Coordinating Commission
Forest Research Laboratory
2015-17 Biennium**

**Governor's Budget
Cross Reference Number: 52500-024-00-00-00000**

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
Subtotal: 2015-17 Current Service Level	-	-	-	-	-	-	-	-	-
070 - Revenue Reductions/Shortfall									
070 - Revenue Shortfalls	-	-	-	-	-	-	-	-	-
Modified 2015-17 Current Service Level	-	-	-	-	-	-	-	-	-
080 - E-Boards									
080 - May 2014 E-Board	-	-	-	-	-	-	-	-	-
081 - September 2014 E-Board	-	-	-	-	-	-	-	-	-
Subtotal Emergency Board Packages	-	-	-	-	-	-	-	-	-
Policy Packages									
090 - Analyst Adjustments	-	-	-	-	-	-	-	-	-
100 - Transfer to HECC	-	-	6,271,107	6,271,107	-	-	-	-	-
101 - Continue HB 5101 tuition buy-down into 2015-17	-	-	-	-	-	-	-	-	-
102 - Public University Support Fund	-	-	-	-	-	-	-	-	-
111 - Community College Support Fund	-	-	-	-	-	-	-	-	-
131 - OSAC Opportunity Grant expansion	-	-	-	-	-	-	-	-	-
151 - Community Innovation Center	-	-	-	-	-	-	-	-	-
152 - Community Leverage Fund	-	-	-	-	-	-	-	-	-
201 - CCWD: Youth Employment	-	-	-	-	-	-	-	-	-
202 - CCWD Incumbent Worker Training	-	-	-	-	-	-	-	-	-
203 - Restructuring On-going Workforce Initiatives	-	-	-	-	-	-	-	-	-
209 - Community College Capital Construction	-	-	-	-	-	-	-	-	-
211 - OSAC ASPIRE support funds	-	-	-	-	-	-	-	-	-
212 - OSAC: ASPIRE expansion	-	-	-	-	-	-	-	-	-

Summary of 2015-17 Biennium Budget

**Higher Education Coordinating Commission
Forest Research Laboratory
2015-17 Biennium**

**Governor's Budget
Cross Reference Number: 52500-024-00-00-00000**

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
213 - OSAC Student Outreach	-	-	-	-	-	-	-	-	-
214 - OSAC Scholarship Restoration	-	-	-	-	-	-	-	-	-
231 - HECC: ETIC reconfiguration	-	-	-	-	-	-	-	-	-
301 - HECC management streamlining and organizational needs	-	-	-	-	-	-	-	-	-
302 - DA/PCS: integrating program approvals & reviews	-	-	-	-	-	-	-	-	-
303 - Integrated research and data team	-	-	-	-	-	-	-	-	-
304 - Post-Secondary Education Association Memberships	-	-	-	-	-	-	-	-	-
311 - CWD Work Reconciliation	-	-	-	-	-	-	-	-	-
312 - CCWD Staffing Gap	-	-	-	-	-	-	-	-	-
313 - OSAC IT needs	-	-	-	-	-	-	-	-	-
Subtotal Policy Packages	-	-	6,271,107	6,271,107	-	-	-	-	-
Total 2015-17 Governor's Budget	-	-	6,271,107	6,271,107	-	-	-	-	-
Percentage Change From 2013-15 Leg Approved Budget	-	-	-	-	-	-	-	-	-
Percentage Change From 2015-17 Current Service Level	-	-	-	-	-	-	-	-	-

Summary of 2015-17 Biennium Budget

**Higher Education Coordinating Commission
PU State Programs
2015-17 Biennium**

**Governor's Budget
Cross Reference Number: 52500-025-00-00-00000**

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
2013-15 Leg Adopted Budget	-	-	-	-	-	-	-	-	-
2013-15 Emergency Boards	-	-	-	-	-	-	-	-	-
2013-15 Leg Approved Budget	-	-	-	-	-	-	-	-	-
2015-17 Base Budget Adjustments									
Net Cost of Position Actions									
Administrative Biennialized E-Board, Phase-Out	-	-	-	-	-	-	-	-	-
Estimated Cost of Merit Increase			-	-	-	-	-	-	-
Base Debt Service Adjustment			-	-	-	-	-	-	-
Base Nonlimited Adjustment			-	-	-	-	-	-	-
Capital Construction			-	-	-	-	-	-	-
Subtotal 2015-17 Base Budget	-	-	-	-	-	-	-	-	-
020 - Phase In / Out Pgm & One-time Cost									
021 - Phase-in	-	-	-	-	-	-	-	-	-
022 - Phase-out Pgm & One-time Costs	-	-	-	-	-	-	-	-	-
Subtotal	-	-	-	-	-	-	-	-	-
040 - Mandated Caseload									
040 - Mandated Caseload	-	-	-	-	-	-	-	-	-
050 - Fundshifts and Revenue Reductions									
050 - Fundshifts	-	-	-	-	-	-	-	-	-
060 - Technical Adjustments									
060 - Technical Adjustments	-	-	-	-	-	-	-	-	-
Subtotal: 2015-17 Current Service Level	-	-	-	-	-	-	-	-	-

Summary of 2015-17 Biennium Budget

Higher Education Coordinating Commission
 PU State Programs
 2015-17 Biennium

Governor's Budget
 Cross Reference Number: 52500-025-00-00-00000

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
Subtotal: 2015-17 Current Service Level	-	-	-	-	-	-	-	-	-
070 - Revenue Reductions/Shortfall									
070 - Revenue Shortfalls	-	-	-	-	-	-	-	-	-
Modified 2015-17 Current Service Level	-	-	-	-	-	-	-	-	-
080 - E-Boards									
080 - May 2014 E-Board	-	-	-	-	-	-	-	-	-
081 - September 2014 E-Board	-	-	-	-	-	-	-	-	-
Subtotal Emergency Board Packages	-	-	-	-	-	-	-	-	-
Policy Packages									
090 - Analyst Adjustments	-	-	24,451,893	24,451,893	-	-	-	-	-
100 - Transfer to HECC	-	-	10,596,516	10,596,516	-	-	-	-	-
101 - Continue HB 5101 tuition buy-down into 2015-17	-	-	-	-	-	-	-	-	-
102 - Public University Support Fund	-	-	-	-	-	-	-	-	-
111 - Community College Support Fund	-	-	-	-	-	-	-	-	-
131 - OSAC Opportunity Grant expansion	-	-	-	-	-	-	-	-	-
151 - Community Innovation Center	-	-	-	-	-	-	-	-	-
152 - Community Leverage Fund	-	-	-	-	-	-	-	-	-
201 - CCWD: Youth Employment	-	-	-	-	-	-	-	-	-
202 - CCWD Incumbent Worker Training	-	-	-	-	-	-	-	-	-
203 - Restructuring On-going Workforce Initiatives	-	-	-	-	-	-	-	-	-
209 - Community College Capital Construction	-	-	-	-	-	-	-	-	-
211 - OSAC ASPIRE support funds	-	-	-	-	-	-	-	-	-
212 - OSAC: ASPIRE expansion	-	-	-	-	-	-	-	-	-

Summary of 2015-17 Biennium Budget

**Higher Education Coordinating Commission
PU State Programs
2015-17 Biennium**

**Governor's Budget
Cross Reference Number: 52500-025-00-00-00000**

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
213 - OSAC Student Outreach	-	-	-	-	-	-	-	-	-
214 - OSAC Scholarship Restoration	-	-	-	-	-	-	-	-	-
231 - HECC: ETIC reconfiguration	-	-	-	-	-	-	-	-	-
301 - HECC management streamlining and organizational needs	-	-	-	-	-	-	-	-	-
302 - DA/PCS: integrating program approvals & reviews	-	-	-	-	-	-	-	-	-
303 - Integrated research and data team	-	-	-	-	-	-	-	-	-
304 - Post-Secondary Education Association Memberships	-	-	-	-	-	-	-	-	-
311 - CWD Work Reconciliation	-	-	-	-	-	-	-	-	-
312 - CCWD Staffing Gap	-	-	-	-	-	-	-	-	-
313 - OSAC IT needs	-	-	-	-	-	-	-	-	-
Subtotal Policy Packages	-	-	35,048,409	35,048,409	-	-	-	-	-
Total 2015-17 Governor's Budget	-	-	35,048,409	35,048,409	-	-	-	-	-
Percentage Change From 2013-15 Leg Approved Budget	-	-	-	-	-	-	-	-	-
Percentage Change From 2015-17 Current Service Level	-	-	-	-	-	-	-	-	-

Summary of 2015-17 Biennium Budget

Higher Education Coordinating Commission
 PU Debt Service
 2015-17 Biennium

Governor's Budget
 Cross Reference Number: 52500-026-00-00-00000

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
2013-15 Leg Adopted Budget	-	-	-	-	-	-	-	-	-
2013-15 Emergency Boards	-	-	-	-	-	-	-	-	-
2013-15 Leg Approved Budget	-	-	-	-	-	-	-	-	-
2015-17 Base Budget Adjustments									
Net Cost of Position Actions									
Administrative Biennialized E-Board, Phase-Out	-	-	-	-	-	-	-	-	-
Estimated Cost of Merit Increase			-	-	-	-	-	-	-
Base Debt Service Adjustment			-	-	-	-	-	-	-
Base Nonlimited Adjustment			-	-	-	-	-	-	-
Capital Construction			-	-	-	-	-	-	-
Subtotal 2015-17 Base Budget	-	-	-	-	-	-	-	-	-
020 - Phase In / Out Pgm & One-time Cost									
021 - Phase-in	-	-	-	-	-	-	-	-	-
022 - Phase-out Pgm & One-time Costs	-	-	-	-	-	-	-	-	-
Subtotal	-	-	-	-	-	-	-	-	-
040 - Mandated Caseload									
040 - Mandated Caseload	-	-	-	-	-	-	-	-	-
050 - Fundshifts and Revenue Reductions									
050 - Fundshifts	-	-	-	-	-	-	-	-	-
060 - Technical Adjustments									
060 - Technical Adjustments	-	-	-	-	-	-	-	-	-
Subtotal: 2015-17 Current Service Level	-	-	-	-	-	-	-	-	-

Summary of 2015-17 Biennium Budget

**Higher Education Coordinating Commission
PU Debt Service
2015-17 Biennium**

**Governor's Budget
Cross Reference Number: 52500-026-00-00-00000**

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
Subtotal: 2015-17 Current Service Level	-	-	-	-	-	-	-	-	-
070 - Revenue Reductions/Shortfall									
070 - Revenue Shortfalls	-	-	-	-	-	-	-	-	-
Modified 2015-17 Current Service Level	-	-	-	-	-	-	-	-	-
080 - E-Boards									
080 - May 2014 E-Board	-	-	-	-	-	-	-	-	-
081 - September 2014 E-Board	-	-	-	-	-	-	-	-	-
Subtotal Emergency Board Packages	-	-	-	-	-	-	-	-	-
Policy Packages									
090 - Analyst Adjustments	-	-	-	-	-	-	-	-	-
100 - Transfer to HECC	-	-	161,369,516	129,382,947	31,986,569	-	-	-	-
101 - Continue HB 5101 tuition buy-down into 2015-17	-	-	-	-	-	-	-	-	-
102 - Public University Support Fund	-	-	-	-	-	-	-	-	-
111 - Community College Support Fund	-	-	-	-	-	-	-	-	-
131 - OSAC Opportunity Grant expansion	-	-	-	-	-	-	-	-	-
151 - Community Innovation Center	-	-	-	-	-	-	-	-	-
152 - Community Leverage Fund	-	-	-	-	-	-	-	-	-
201 - CCWD: Youth Employment	-	-	-	-	-	-	-	-	-
202 - CCWD Incumbent Worker Training	-	-	-	-	-	-	-	-	-
203 - Restructuring On-going Workforce Initiatives	-	-	-	-	-	-	-	-	-
209 - Community College Capital Construction	-	-	-	-	-	-	-	-	-
211 - OSAC ASPIRE support funds	-	-	-	-	-	-	-	-	-
212 - OSAC: ASPIRE expansion	-	-	-	-	-	-	-	-	-

Summary of 2015-17 Biennium Budget

**Higher Education Coordinating Commission
PU Debt Service
2015-17 Biennium**

**Governor's Budget
Cross Reference Number: 52500-026-00-00-00000**

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
213 - OSAC Student Outreach	-	-	-	-	-	-	-	-	-
214 - OSAC Scholarship Restoration	-	-	-	-	-	-	-	-	-
231 - HECC: ETIC reconfiguration	-	-	-	-	-	-	-	-	-
301 - HECC management streamlining and organizational needs	-	-	-	-	-	-	-	-	-
302 - DA/PCS: integrating program approvals & reviews	-	-	-	-	-	-	-	-	-
303 - Integrated research and data team	-	-	-	-	-	-	-	-	-
304 - Post-Secondary Education Association Memberships	-	-	-	-	-	-	-	-	-
311 - CWD Work Reconciliation	-	-	-	-	-	-	-	-	-
312 - CCWD Staffing Gap	-	-	-	-	-	-	-	-	-
313 - OSAC IT needs	-	-	-	-	-	-	-	-	-
Subtotal Policy Packages	-	-	161,369,516	129,382,947	31,986,569	-	-	-	-
Total 2015-17 Governor's Budget	-	-	161,369,516	129,382,947	31,986,569	-	-	-	-

Percentage Change From 2013-15 Leg Approved Budget	-	-	-	-	-	-	-	-	-
Percentage Change From 2015-17 Current Service Level	-	-	-	-	-	-	-	-	-

Summary of 2015-17 Biennium Budget

**Higher Education Coordinating Commission
Sports Action Lottery
2015-17 Biennium**

**Governor's Budget
Cross Reference Number: 52500-027-00-00-00000**

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
2013-15 Leg Adopted Budget	-	-	-	-	-	-	-	-	-
2013-15 Emergency Boards	-	-	-	-	-	-	-	-	-
2013-15 Leg Approved Budget	-	-	-	-	-	-	-	-	-
2015-17 Base Budget Adjustments									
Net Cost of Position Actions									
Administrative Biennialized E-Board, Phase-Out	-	-	-	-	-	-	-	-	-
Estimated Cost of Merit Increase			-	-	-	-	-	-	-
Base Debt Service Adjustment			-	-	-	-	-	-	-
Base Nonlimited Adjustment			-	-	-	-	-	-	-
Capital Construction			-	-	-	-	-	-	-
Subtotal 2015-17 Base Budget	-	-	-	-	-	-	-	-	-
020 - Phase In / Out Pgm & One-time Cost									
021 - Phase-in	-	-	-	-	-	-	-	-	-
022 - Phase-out Pgm & One-time Costs	-	-	-	-	-	-	-	-	-
Subtotal	-	-	-	-	-	-	-	-	-
040 - Mandated Caseload									
040 - Mandated Caseload	-	-	-	-	-	-	-	-	-
050 - Fundshifts and Revenue Reductions									
050 - Fundshifts	-	-	-	-	-	-	-	-	-
060 - Technical Adjustments									
060 - Technical Adjustments	-	-	-	-	-	-	-	-	-
Subtotal: 2015-17 Current Service Level	-	-	-	-	-	-	-	-	-

Summary of 2015-17 Biennium Budget

**Higher Education Coordinating Commission
Sports Action Lottery
2015-17 Biennium**

**Governor's Budget
Cross Reference Number: 52500-027-00-00-00000**

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
Subtotal: 2015-17 Current Service Level	-	-	-	-	-	-	-	-	-
070 - Revenue Reductions/Shortfall									
070 - Revenue Shortfalls	-	-	-	-	-	-	-	-	-
Modified 2015-17 Current Service Level	-	-	-	-	-	-	-	-	-
080 - E-Boards									
080 - May 2014 E-Board	-	-	-	-	-	-	-	-	-
081 - September 2014 E-Board	-	-	-	-	-	-	-	-	-
Subtotal Emergency Board Packages	-	-	-	-	-	-	-	-	-
Policy Packages									
090 - Analyst Adjustments	-	-	(10,827,615)	-	(10,827,615)	-	-	-	-
100 - Transfer to HECC	-	-	10,827,615	-	10,827,615	-	-	-	-
101 - Continue HB 5101 tuition buy-down into 2015-17	-	-	-	-	-	-	-	-	-
102 - Public University Support Fund	-	-	-	-	-	-	-	-	-
111 - Community College Support Fund	-	-	-	-	-	-	-	-	-
131 - OSAC Opportunity Grant expansion	-	-	-	-	-	-	-	-	-
151 - Community Innovation Center	-	-	-	-	-	-	-	-	-
152 - Community Leverage Fund	-	-	-	-	-	-	-	-	-
201 - CCWD: Youth Employment	-	-	-	-	-	-	-	-	-
202 - CCWD Incumbent Worker Training	-	-	-	-	-	-	-	-	-
203 - Restructuring On-going Workforce Initiatives	-	-	-	-	-	-	-	-	-
209 - Community College Capital Construction	-	-	-	-	-	-	-	-	-
211 - OSAC ASPIRE support funds	-	-	-	-	-	-	-	-	-
212 - OSAC: ASPIRE expansion	-	-	-	-	-	-	-	-	-

Summary of 2015-17 Biennium Budget

**Higher Education Coordinating Commission
Sports Action Lottery
2015-17 Biennium**

**Governor's Budget
Cross Reference Number: 52500-027-00-00-00000**

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
213 - OSAC Student Outreach	-	-	-	-	-	-	-	-	-
214 - OSAC Scholarship Restoration	-	-	-	-	-	-	-	-	-
231 - HECC: ETIC reconfiguration	-	-	-	-	-	-	-	-	-
301 - HECC management streamlining and organizational needs	-	-	-	-	-	-	-	-	-
302 - DA/PCS: integrating program approvals & reviews	-	-	-	-	-	-	-	-	-
303 - Integrated research and data team	-	-	-	-	-	-	-	-	-
304 - Post-Secondary Education Association Memberships	-	-	-	-	-	-	-	-	-
311 - CWD Work Reconciliation	-	-	-	-	-	-	-	-	-
312 - CCWD Staffing Gap	-	-	-	-	-	-	-	-	-
313 - OSAC IT needs	-	-	-	-	-	-	-	-	-
Subtotal Policy Packages	-	-	-	-	-	-	-	-	-
Total 2015-17 Governor's Budget	-	-	-	-	-	-	-	-	-
Percentage Change From 2013-15 Leg Approved Budget	-	-	-	-	-	-	-	-	-
Percentage Change From 2015-17 Current Service Level	-	-	-	-	-	-	-	-	-

Summary of 2015-17 Biennium Budget

**Higher Education Coordinating Commission
OHSU
2015-17 Biennium**

**Governor's Budget
Cross Reference Number: 52500-031-00-00-00000**

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
2013-15 Leg Adopted Budget	-	-	-	-	-	-	-	-	-
2013-15 Emergency Boards	-	-	-	-	-	-	-	-	-
2013-15 Leg Approved Budget	-	-	-	-	-	-	-	-	-
2015-17 Base Budget Adjustments									
Net Cost of Position Actions									
Administrative Biennialized E-Board, Phase-Out	-	-	-	-	-	-	-	-	-
Estimated Cost of Merit Increase			-	-	-	-	-	-	-
Base Debt Service Adjustment			-	-	-	-	-	-	-
Base Nonlimited Adjustment			-	-	-	-	-	-	-
Capital Construction			-	-	-	-	-	-	-
Subtotal 2015-17 Base Budget	-	-	-	-	-	-	-	-	-
020 - Phase In / Out Pgm & One-time Cost									
021 - Phase-in	-	-	-	-	-	-	-	-	-
022 - Phase-out Pgm & One-time Costs	-	-	-	-	-	-	-	-	-
Subtotal	-	-	-	-	-	-	-	-	-
040 - Mandated Caseload									
040 - Mandated Caseload	-	-	-	-	-	-	-	-	-
050 - Fundshifts and Revenue Reductions									
050 - Fundshifts	-	-	-	-	-	-	-	-	-
060 - Technical Adjustments									
060 - Technical Adjustments	-	-	-	-	-	-	-	-	-
Subtotal: 2015-17 Current Service Level	-	-	-	-	-	-	-	-	-

Summary of 2015-17 Biennium Budget

**Higher Education Coordinating Commission
OHSU
2015-17 Biennium**

**Governor's Budget
Cross Reference Number: 52500-031-00-00-00000**

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
Subtotal: 2015-17 Current Service Level	-	-	-	-	-	-	-	-	-
070 - Revenue Reductions/Shortfall									
070 - Revenue Shortfalls	-	-	-	-	-	-	-	-	-
Modified 2015-17 Current Service Level	-	-	-	-	-	-	-	-	-
080 - E-Boards									
080 - May 2014 E-Board	-	-	-	-	-	-	-	-	-
081 - September 2014 E-Board	-	-	-	-	-	-	-	-	-
Subtotal Emergency Board Packages	-	-	-	-	-	-	-	-	-
Policy Packages									
090 - Analyst Adjustments	-	-	(4,770,459)	(4,770,459)	-	-	-	-	-
100 - Transfer to HECC	-	-	77,332,846	77,332,846	-	-	-	-	-
101 - Continue HB 5101 tuition buy-down into 2015-17	-	-	-	-	-	-	-	-	-
102 - Public University Support Fund	-	-	-	-	-	-	-	-	-
111 - Community College Support Fund	-	-	-	-	-	-	-	-	-
131 - OSAC Opportunity Grant expansion	-	-	-	-	-	-	-	-	-
151 - Community Innovation Center	-	-	-	-	-	-	-	-	-
152 - Community Leverage Fund	-	-	-	-	-	-	-	-	-
201 - CCWD: Youth Employment	-	-	-	-	-	-	-	-	-
202 - CCWD Incumbent Worker Training	-	-	-	-	-	-	-	-	-
203 - Restructuring On-going Workforce Initiatives	-	-	-	-	-	-	-	-	-
209 - Community College Capital Construction	-	-	-	-	-	-	-	-	-
211 - OSAC ASPIRE support funds	-	-	-	-	-	-	-	-	-
212 - OSAC: ASPIRE expansion	-	-	-	-	-	-	-	-	-

Summary of 2015-17 Biennium Budget

**Higher Education Coordinating Commission
OHSU
2015-17 Biennium**

**Governor's Budget
Cross Reference Number: 52500-031-00-00-00000**

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
213 - OSAC Student Outreach	-	-	-	-	-	-	-	-	-
214 - OSAC Scholarship Restoration	-	-	-	-	-	-	-	-	-
231 - HECC: ETIC reconfiguration	-	-	-	-	-	-	-	-	-
301 - HECC management streamlining and organizational needs	-	-	-	-	-	-	-	-	-
302 - DA/PCS: integrating program approvals & reviews	-	-	-	-	-	-	-	-	-
303 - Integrated research and data team	-	-	-	-	-	-	-	-	-
304 - Post-Secondary Education Association Memberships	-	-	-	-	-	-	-	-	-
311 - CWD Work Reconciliation	-	-	-	-	-	-	-	-	-
312 - CCWD Staffing Gap	-	-	-	-	-	-	-	-	-
313 - OSAC IT needs	-	-	-	-	-	-	-	-	-
Subtotal Policy Packages	-	-	72,562,387	72,562,387	-	-	-	-	-
Total 2015-17 Governor's Budget	-	-	72,562,387	72,562,387	-	-	-	-	-
Percentage Change From 2013-15 Leg Approved Budget	-	-	-	-	-	-	-	-	-
Percentage Change From 2015-17 Current Service Level	-	-	-	-	-	-	-	-	-

Summary of 2015-17 Biennium Budget

**Higher Education Coordinating Commission
OHSU Bond Related Costs
2015-17 Biennium**

**Governor's Budget
Cross Reference Number: 52500-032-00-00-00000**

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
2013-15 Leg Adopted Budget	-	-	-	-	-	-	-	-	-
2013-15 Emergency Boards	-	-	-	-	-	-	-	-	-
2013-15 Leg Approved Budget	-	-	-	-	-	-	-	-	-
2015-17 Base Budget Adjustments									
Net Cost of Position Actions									
Administrative Biennialized E-Board, Phase-Out	-	-	-	-	-	-	-	-	-
Estimated Cost of Merit Increase	-	-	-	-	-	-	-	-	-
Base Debt Service Adjustment	-	-	-	-	-	-	-	-	-
Base Nonlimited Adjustment	-	-	-	-	-	-	-	-	-
Capital Construction	-	-	-	-	-	-	-	-	-
Subtotal 2015-17 Base Budget	-	-	-	-	-	-	-	-	-
020 - Phase In / Out Pgm & One-time Cost									
021 - Phase-in	-	-	-	-	-	-	-	-	-
022 - Phase-out Pgm & One-time Costs	-	-	-	-	-	-	-	-	-
Subtotal	-	-	-	-	-	-	-	-	-
040 - Mandated Caseload									
040 - Mandated Caseload	-	-	-	-	-	-	-	-	-
050 - Fundshifts and Revenue Reductions									
050 - Fundshifts	-	-	-	-	-	-	-	-	-
060 - Technical Adjustments									
060 - Technical Adjustments	-	-	-	-	-	-	-	-	-
Subtotal: 2015-17 Current Service Level	-	-	-	-	-	-	-	-	-

Summary of 2015-17 Biennium Budget

**Higher Education Coordinating Commission
OHSU Bond Related Costs
2015-17 Biennium**

**Governor's Budget
Cross Reference Number: 52500-032-00-00-00000**

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
Subtotal: 2015-17 Current Service Level	-	-	-	-	-	-	-	-	-
070 - Revenue Reductions/Shortfall									
070 - Revenue Shortfalls	-	-	-	-	-	-	-	-	-
Modified 2015-17 Current Service Level	-	-	-	-	-	-	-	-	-
080 - E-Boards									
080 - May 2014 E-Board	-	-	-	-	-	-	-	-	-
081 - September 2014 E-Board	-	-	-	-	-	-	-	-	-
Subtotal Emergency Board Packages	-	-	-	-	-	-	-	-	-
Policy Packages									
090 - Analyst Adjustments	-	-	(12,332,026)	(5,662,239)	(6,669,787)	-	-	-	-
100 - Transfer to HECC	-	-	60,936,947	23,357,272	6,669,787	30,909,888	-	-	-
101 - Continue HB 5101 tuition buy-down into 2015-17	-	-	-	-	-	-	-	-	-
102 - Public University Support Fund	-	-	-	-	-	-	-	-	-
111 - Community College Support Fund	-	-	-	-	-	-	-	-	-
131 - OSAC Opportunity Grant expansion	-	-	-	-	-	-	-	-	-
151 - Community Innovation Center	-	-	-	-	-	-	-	-	-
152 - Community Leverage Fund	-	-	-	-	-	-	-	-	-
201 - CCWD: Youth Employment	-	-	-	-	-	-	-	-	-
202 - CCWD Incumbent Worker Training	-	-	-	-	-	-	-	-	-
203 - Restructuring On-going Workforce Initiatives	-	-	-	-	-	-	-	-	-
209 - Community College Capital Construction	-	-	-	-	-	-	-	-	-
211 - OSAC ASPIRE support funds	-	-	-	-	-	-	-	-	-
212 - OSAC: ASPIRE expansion	-	-	-	-	-	-	-	-	-

Summary of 2015-17 Biennium Budget

**Higher Education Coordinating Commission
OHSU Bond Related Costs
2015-17 Biennium**

**Governor's Budget
Cross Reference Number: 52500-032-00-00-00000**

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
213 - OSAC Student Outreach	-	-	-	-	-	-	-	-	-
214 - OSAC Scholarship Restoration	-	-	-	-	-	-	-	-	-
231 - HECC: ETIC reconfiguration	-	-	-	-	-	-	-	-	-
301 - HECC management streamlining and organizational needs	-	-	-	-	-	-	-	-	-
302 - DA/PCS: integrating program approvals & reviews	-	-	-	-	-	-	-	-	-
303 - Integrated research and data team	-	-	-	-	-	-	-	-	-
304 - Post-Secondary Education Association Memberships	-	-	-	-	-	-	-	-	-
311 - CWD Work Reconciliation	-	-	-	-	-	-	-	-	-
312 - CCWD Staffing Gap	-	-	-	-	-	-	-	-	-
313 - OSAC IT needs	-	-	-	-	-	-	-	-	-
Subtotal Policy Packages	-	-	48,604,921	17,695,033	-	30,909,888	-	-	-
Total 2015-17 Governor's Budget	-	-	48,604,921	17,695,033	-	30,909,888	-	-	-
Percentage Change From 2013-15 Leg Approved Budget	-	-	-	-	-	-	-	-	-
Percentage Change From 2015-17 Current Service Level	-	-	-	-	-	-	-	-	-

Summary of 2015-17 Biennium Budget

Higher Education Coordinating Commission
 OSAC Office Operations
 2015-17 Biennium

Governor's Budget
 Cross Reference Number: 52500-041-00-00-00000

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
2013-15 Leg Adopted Budget	-	-	-	-	-	-	-	-	-
2013-15 Emergency Boards	-	-	-	-	-	-	-	-	-
2013-15 Leg Approved Budget	-	-	-	-	-	-	-	-	-
2015-17 Base Budget Adjustments									
Net Cost of Position Actions									
Administrative Biennialized E-Board, Phase-Out	-	-	-	-	-	-	-	-	-
Estimated Cost of Merit Increase			-	-	-	-	-	-	-
Base Debt Service Adjustment			-	-	-	-	-	-	-
Base Nonlimited Adjustment			-	-	-	-	-	-	-
Capital Construction			-	-	-	-	-	-	-
Subtotal 2015-17 Base Budget	-	-	-	-	-	-	-	-	-
020 - Phase In / Out Pgm & One-time Cost									
021 - Phase-in	-	-	-	-	-	-	-	-	-
022 - Phase-out Pgm & One-time Costs	-	-	-	-	-	-	-	-	-
Subtotal	-	-	-	-	-	-	-	-	-
040 - Mandated Caseload									
040 - Mandated Caseload	-	-	-	-	-	-	-	-	-
050 - Fundshifts and Revenue Reductions									
050 - Fundshifts	-	-	-	-	-	-	-	-	-
060 - Technical Adjustments									
060 - Technical Adjustments	-	-	-	-	-	-	-	-	-
Subtotal: 2015-17 Current Service Level	-	-	-	-	-	-	-	-	-

Summary of 2015-17 Biennium Budget

**Higher Education Coordinating Commission
OSAC Office Operations
2015-17 Biennium**

**Governor's Budget
Cross Reference Number: 52500-041-00-00-00000**

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
Subtotal: 2015-17 Current Service Level	-	-	-	-	-	-	-	-	-
070 - Revenue Reductions/Shortfall									
070 - Revenue Shortfalls	-	(3.67)	(510,485)	-	-	(510,485)	-	-	-
Modified 2015-17 Current Service Level	-	(3.67)	(510,485)	-	-	(510,485)	-	-	-
080 - E-Boards									
080 - May 2014 E-Board	-	-	-	-	-	-	-	-	-
081 - September 2014 E-Board	-	-	-	-	-	-	-	-	-
Subtotal Emergency Board Packages	-	-	-	-	-	-	-	-	-
Policy Packages									
090 - Analyst Adjustments	-	-	-	-	-	-	-	-	-
100 - Transfer to HECC	20	19.67	4,590,836	1,975,032	-	2,615,804	-	-	-
101 - Continue HB 5101 tuition buy-down into 2015-17	-	-	-	-	-	-	-	-	-
102 - Public University Support Fund	-	-	-	-	-	-	-	-	-
111 - Community College Support Fund	-	-	-	-	-	-	-	-	-
131 - OSAC Opportunity Grant expansion	-	-	250,000	250,000	-	-	-	-	-
151 - Community Innovation Center	-	-	-	-	-	-	-	-	-
152 - Community Leverage Fund	-	-	-	-	-	-	-	-	-
201 - CCWD: Youth Employment	-	-	-	-	-	-	-	-	-
202 - CCWD Incumbent Worker Training	-	-	-	-	-	-	-	-	-
203 - Restructuring On-going Workforce Initiatives	-	-	-	-	-	-	-	-	-
209 - Community College Capital Construction	-	-	-	-	-	-	-	-	-
211 - OSAC ASPIRE support funds	-	-	-	-	-	-	-	-	-
212 - OSAC: ASPIRE expansion	-	-	-	-	-	-	-	-	-

Summary of 2015-17 Biennium Budget

**Higher Education Coordinating Commission
OSAC Office Operations
2015-17 Biennium**

**Governor's Budget
Cross Reference Number: 52500-041-00-00-00000**

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
213 - OSAC Student Outreach	4	0.77	731,958	-	-	-	731,958	-	-
214 - OSAC Scholarship Restoration	-	2.00	270,687	300,687	-	(30,000)	-	-	-
231 - HECC: ETIC reconfiguration	-	-	-	-	-	-	-	-	-
301 - HECC management streamlining and organizational needs	-	-	(98,466)	(44,310)	-	(54,156)	-	-	-
302 - DA/PCS: integrating program approvals & reviews	-	-	-	-	-	-	-	-	-
303 - Integrated research and data team	-	-	-	-	-	-	-	-	-
304 - Post-Secondary Education Association Memberships	-	-	-	-	-	-	-	-	-
311 - CWD Work Reconciliation	-	-	-	-	-	-	-	-	-
312 - CCWD Staffing Gap	-	-	-	-	-	-	-	-	-
313 - OSAC IT needs	-	-	1,000,000	1,000,000	-	-	-	-	-
Subtotal Policy Packages	24	22.44	6,745,015	3,481,409	-	2,531,648	731,958	-	-
Total 2015-17 Governor's Budget	24	18.77	6,234,530	3,481,409	-	2,021,163	731,958	-	-

Percentage Change From 2013-15 Leg Approved Budget	-	-	-	-	-	-	-	-	-
Percentage Change From 2015-17 Current Service Level	-	-	-	-	-	-	-	-	-

Summary of 2015-17 Biennium Budget

Higher Education Coordinating Commission
 OSAC Other Programs
 2015-17 Biennium

Governor's Budget
 Cross Reference Number: 52500-042-00-00-00000

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
2013-15 Leg Adopted Budget	-	-	-	-	-	-	-	-	-
2013-15 Emergency Boards	-	-	-	-	-	-	-	-	-
2013-15 Leg Approved Budget	-	-	-	-	-	-	-	-	-
2015-17 Base Budget Adjustments									
Net Cost of Position Actions									
Administrative Biennialized E-Board, Phase-Out	-	-	-	-	-	-	-	-	-
Estimated Cost of Merit Increase			-	-	-	-	-	-	-
Base Debt Service Adjustment			-	-	-	-	-	-	-
Base Nonlimited Adjustment			-	-	-	-	-	-	-
Capital Construction			-	-	-	-	-	-	-
Subtotal 2015-17 Base Budget	-	-	-	-	-	-	-	-	-
020 - Phase In / Out Pgm & One-time Cost									
021 - Phase-in	-	-	-	-	-	-	-	-	-
022 - Phase-out Pgm & One-time Costs	-	-	-	-	-	-	-	-	-
Subtotal	-	-	-	-	-	-	-	-	-
040 - Mandated Caseload									
040 - Mandated Caseload	-	-	-	-	-	-	-	-	-
050 - Fundshifts and Revenue Reductions									
050 - Fundshifts	-	-	-	-	-	-	-	-	-
060 - Technical Adjustments									
060 - Technical Adjustments	-	-	-	-	-	-	-	-	-
Subtotal: 2015-17 Current Service Level	-	-	-	-	-	-	-	-	-

Summary of 2015-17 Biennium Budget

**Higher Education Coordinating Commission
OSAC Other Programs
2015-17 Biennium**

**Governor's Budget
Cross Reference Number: 52500-042-00-00-00000**

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
Subtotal: 2015-17 Current Service Level	-	-	-	-	-	-	-	-	-
070 - Revenue Reductions/Shortfall									
070 - Revenue Shortfalls	-	-	-	-	-	-	-	-	-
Modified 2015-17 Current Service Level	-	-	-	-	-	-	-	-	-
080 - E-Boards									
080 - May 2014 E-Board	-	-	-	-	-	-	-	-	-
081 - September 2014 E-Board	-	-	-	-	-	-	-	-	-
Subtotal Emergency Board Packages	-	-	-	-	-	-	-	-	-
Policy Packages									
090 - Analyst Adjustments	-	-	-	-	-	-	-	-	-
100 - Transfer to HECC	-	-	15,478,187	948,619	-	14,529,568	-	-	-
101 - Continue HB 5101 tuition buy-down into 2015-17	-	-	-	-	-	-	-	-	-
102 - Public University Support Fund	-	-	-	-	-	-	-	-	-
111 - Community College Support Fund	-	-	-	-	-	-	-	-	-
131 - OSAC Opportunity Grant expansion	-	-	-	-	-	-	-	-	-
151 - Community Innovation Center	-	-	-	-	-	-	-	-	-
152 - Community Leverage Fund	-	-	-	-	-	-	-	-	-
201 - CCWD: Youth Employment	-	-	-	-	-	-	-	-	-
202 - CCWD Incumbent Worker Training	-	-	-	-	-	-	-	-	-
203 - Restructuring On-going Workforce Initiatives	-	-	-	-	-	-	-	-	-
209 - Community College Capital Construction	-	-	-	-	-	-	-	-	-
211 - OSAC ASPIRE support funds	-	-	-	-	-	-	-	-	-
212 - OSAC: ASPIRE expansion	-	-	-	-	-	-	-	-	-

Summary of 2015-17 Biennium Budget

Higher Education Coordinating Commission
 OSAC Other Programs
 2015-17 Biennium

Governor's Budget
 Cross Reference Number: 52500-042-00-00-00000

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
213 - OSAC Student Outreach	-	-	-	-	-	-	-	-	-
214 - OSAC Scholarship Restoration	-	-	-	-	-	-	-	-	-
231 - HECC: ETIC reconfiguration	-	-	-	-	-	-	-	-	-
301 - HECC management streamlining and organizational needs	-	-	-	-	-	-	-	-	-
302 - DA/PCS: integrating program approvals & reviews	-	-	-	-	-	-	-	-	-
303 - Integrated research and data team	-	-	-	-	-	-	-	-	-
304 - Post-Secondary Education Association Memberships	-	-	-	-	-	-	-	-	-
311 - CWD Work Reconciliation	-	-	-	-	-	-	-	-	-
312 - CCWD Staffing Gap	-	-	-	-	-	-	-	-	-
313 - OSAC IT needs	-	-	-	-	-	-	-	-	-
Subtotal Policy Packages	-	-	15,478,187	948,619	-	14,529,568	-	-	-
Total 2015-17 Governor's Budget	-	-	15,478,187	948,619	-	14,529,568	-	-	-
Percentage Change From 2013-15 Leg Approved Budget	-	-	-	-	-	-	-	-	-
Percentage Change From 2015-17 Current Service Level	-	-	-	-	-	-	-	-	-

Summary of 2015-17 Biennium Budget

**Higher Education Coordinating Commission
Opportunity Grants
2015-17 Biennium**

**Governor's Budget
Cross Reference Number: 52500-043-00-00-00000**

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
2013-15 Leg Adopted Budget	-	-	-	-	-	-	-	-	-
2013-15 Emergency Boards	-	-	-	-	-	-	-	-	-
2013-15 Leg Approved Budget	-	-	-	-	-	-	-	-	-
2015-17 Base Budget Adjustments									
Net Cost of Position Actions									
Administrative Biennialized E-Board, Phase-Out	-	-	-	-	-	-	-	-	-
Estimated Cost of Merit Increase			-	-	-	-	-	-	-
Base Debt Service Adjustment			-	-	-	-	-	-	-
Base Nonlimited Adjustment			-	-	-	-	-	-	-
Capital Construction			-	-	-	-	-	-	-
Subtotal 2015-17 Base Budget	-	-	-	-	-	-	-	-	-
020 - Phase In / Out Pgm & One-time Cost									
021 - Phase-in	-	-	-	-	-	-	-	-	-
022 - Phase-out Pgm & One-time Costs	-	-	-	-	-	-	-	-	-
Subtotal	-	-	-	-	-	-	-	-	-
040 - Mandated Caseload									
040 - Mandated Caseload	-	-	-	-	-	-	-	-	-
050 - Fundshifts and Revenue Reductions									
050 - Fundshifts	-	-	-	-	-	-	-	-	-
060 - Technical Adjustments									
060 - Technical Adjustments	-	-	-	-	-	-	-	-	-
Subtotal: 2015-17 Current Service Level	-	-	-	-	-	-	-	-	-

Summary of 2015-17 Biennium Budget

Higher Education Coordinating Commission
 Opportunity Grants
 2015-17 Biennium

Governor's Budget
 Cross Reference Number: 52500-043-00-00-00000

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
Subtotal: 2015-17 Current Service Level	-	-	-	-	-	-	-	-	-
070 - Revenue Reductions/Shortfall									
070 - Revenue Shortfalls	-	-	-	-	-	-	-	-	-
Modified 2015-17 Current Service Level	-	-	-	-	-	-	-	-	-
080 - E-Boards									
080 - May 2014 E-Board	-	-	-	-	-	-	-	-	-
081 - September 2014 E-Board	-	-	-	-	-	-	-	-	-
Subtotal Emergency Board Packages	-	-	-	-	-	-	-	-	-
Policy Packages									
090 - Analyst Adjustments	-	-	714,860	(11,212,755)	10,827,615	1,100,000	-	-	-
100 - Transfer to HECC	-	-	116,613,905	113,389,821	3,060,871	163,213	-	-	-
101 - Continue HB 5101 tuition buy-down into 2015-17	-	-	-	-	-	-	-	-	-
102 - Public University Support Fund	-	-	-	-	-	-	-	-	-
111 - Community College Support Fund	-	-	-	-	-	-	-	-	-
131 - OSAC Opportunity Grant expansion	-	-	25,934,448	25,934,448	-	-	-	-	-
151 - Community Innovation Center	-	-	-	-	-	-	-	-	-
152 - Community Leverage Fund	-	-	-	-	-	-	-	-	-
201 - CCWD: Youth Employment	-	-	-	-	-	-	-	-	-
202 - CCWD Incumbent Worker Training	-	-	-	-	-	-	-	-	-
203 - Restructuring On-going Workforce Initiatives	-	-	-	-	-	-	-	-	-
209 - Community College Capital Construction	-	-	-	-	-	-	-	-	-
211 - OSAC ASPIRE support funds	-	-	-	-	-	-	-	-	-
212 - OSAC: ASPIRE expansion	-	-	-	-	-	-	-	-	-

Summary of 2015-17 Biennium Budget

**Higher Education Coordinating Commission
Opportunity Grants
2015-17 Biennium**

**Governor's Budget
Cross Reference Number: 52500-043-00-00-00000**

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
213 - OSAC Student Outreach	-	-	-	-	-	-	-	-	-
214 - OSAC Scholarship Restoration	-	-	-	-	-	-	-	-	-
231 - HECC: ETIC reconfiguration	-	-	-	-	-	-	-	-	-
301 - HECC management streamlining and organizational needs	-	-	-	-	-	-	-	-	-
302 - DA/PCS: integrating program approvals & reviews	-	-	-	-	-	-	-	-	-
303 - Integrated research and data team	-	-	-	-	-	-	-	-	-
304 - Post-Secondary Education Association Memberships	-	-	-	-	-	-	-	-	-
311 - CWD Work Reconciliation	-	-	-	-	-	-	-	-	-
312 - CCWD Staffing Gap	-	-	-	-	-	-	-	-	-
313 - OSAC IT needs	-	-	-	-	-	-	-	-	-
Subtotal Policy Packages	-	-	143,263,213	128,111,514	13,888,486	1,263,213	-	-	-
Total 2015-17 Governor's Budget	-	-	143,263,213	128,111,514	13,888,486	1,263,213	-	-	-
Percentage Change From 2013-15 Leg Approved Budget	-	-	-	-	-	-	-	-	-
Percentage Change From 2015-17 Current Service Level	-	-	-	-	-	-	-	-	-

Summary of 2015-17 Biennium Budget

**Higher Education Coordinating Commission
ASPIRE
2015-17 Biennium**

**Governor's Budget
Cross Reference Number: 52500-044-00-00-00000**

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
2013-15 Leg Adopted Budget	-	-	-	-	-	-	-	-	-
2013-15 Emergency Boards	-	-	-	-	-	-	-	-	-
2013-15 Leg Approved Budget	-	-	-	-	-	-	-	-	-
2015-17 Base Budget Adjustments									
Net Cost of Position Actions									
Administrative Biennialized E-Board, Phase-Out	-	-	-	-	-	-	-	-	-
Estimated Cost of Merit Increase			-	-	-	-	-	-	-
Base Debt Service Adjustment			-	-	-	-	-	-	-
Base Nonlimited Adjustment			-	-	-	-	-	-	-
Capital Construction			-	-	-	-	-	-	-
Subtotal 2015-17 Base Budget	-	-	-	-	-	-	-	-	-
020 - Phase In / Out Pgm & One-time Cost									
021 - Phase-in	-	-	-	-	-	-	-	-	-
022 - Phase-out Pgm & One-time Costs	-	-	-	-	-	-	-	-	-
Subtotal	-	-	-	-	-	-	-	-	-
040 - Mandated Caseload									
040 - Mandated Caseload	-	-	-	-	-	-	-	-	-
050 - Fundshifts and Revenue Reductions									
050 - Fundshifts	-	-	-	-	-	-	-	-	-
060 - Technical Adjustments									
060 - Technical Adjustments	-	-	-	-	-	-	-	-	-
Subtotal: 2015-17 Current Service Level	-	-	-	-	-	-	-	-	-

Summary of 2015-17 Biennium Budget

**Higher Education Coordinating Commission
ASPIRE
2015-17 Biennium**

**Governor's Budget
Cross Reference Number: 52500-044-00-00-00000**

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
Subtotal: 2015-17 Current Service Level	-	-	-	-	-	-	-	-	-
070 - Revenue Reductions/Shortfall									
070 - Revenue Shortfalls	-	-	-	-	-	-	-	-	-
Modified 2015-17 Current Service Level	-	-	-	-	-	-	-	-	-
080 - E-Boards									
080 - May 2014 E-Board	-	-	-	-	-	-	-	-	-
081 - September 2014 E-Board	-	-	-	-	-	-	-	-	-
Subtotal Emergency Board Packages	-	-	-	-	-	-	-	-	-
Policy Packages									
090 - Analyst Adjustments	-	-	-	-	-	-	-	-	-
100 - Transfer to HECC	8	6.00	1,844,657	1,651,790	-	192,867	-	-	-
101 - Continue HB 5101 tuition buy-down into 2015-17	-	-	-	-	-	-	-	-	-
102 - Public University Support Fund	-	-	-	-	-	-	-	-	-
111 - Community College Support Fund	-	-	-	-	-	-	-	-	-
131 - OSAC Opportunity Grant expansion	-	-	-	-	-	-	-	-	-
151 - Community Innovation Center	-	-	-	-	-	-	-	-	-
152 - Community Leverage Fund	-	-	-	-	-	-	-	-	-
201 - CCWD: Youth Employment	-	-	-	-	-	-	-	-	-
202 - CCWD Incumbent Worker Training	-	-	-	-	-	-	-	-	-
203 - Restructuring On-going Workforce Initiatives	-	-	-	-	-	-	-	-	-
209 - Community College Capital Construction	-	-	-	-	-	-	-	-	-
211 - OSAC ASPIRE support funds	-	-	20,228	-	-	-	20,228	-	-
212 - OSAC: ASPIRE expansion	3	1.14	641,260	-	-	-	641,260	-	-

Summary of 2015-17 Biennium Budget

**Higher Education Coordinating Commission
ASPIRE
2015-17 Biennium**

**Governor's Budget
Cross Reference Number: 52500-044-00-00-00000**

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
213 - OSAC Student Outreach	-	-	-	-	-	-	-	-	-
214 - OSAC Scholarship Restoration	-	-	-	-	-	-	-	-	-
231 - HECC: ETIC reconfiguration	-	-	-	-	-	-	-	-	-
301 - HECC management streamlining and organizational needs	-	-	-	-	-	-	-	-	-
302 - DA/PCS: integrating program approvals & reviews	-	-	-	-	-	-	-	-	-
303 - Integrated research and data team	-	-	-	-	-	-	-	-	-
304 - Post-Secondary Education Association Memberships	-	-	-	-	-	-	-	-	-
311 - CWD Work Reconciliation	-	-	-	-	-	-	-	-	-
312 - CCWD Staffing Gap	-	-	-	-	-	-	-	-	-
313 - OSAC IT needs	-	-	-	-	-	-	-	-	-
Subtotal Policy Packages	11	7.14	2,506,145	1,651,790	-	192,867	661,488	-	-
Total 2015-17 Governor's Budget	11	7.14	2,506,145	1,651,790	-	192,867	661,488	-	-
Percentage Change From 2013-15 Leg Approved Budget	-	-	-	-	-	-	-	-	-
Percentage Change From 2015-17 Current Service Level	-	-	-	-	-	-	-	-	-

Summary of 2015-17 Biennium Budget

**Higher Education Coordinating Commission
Capital Construction
2015-17 Biennium**

**Governor's Budget
Cross Reference Number: 52500-089-00-00-00000**

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
2013-15 Leg Adopted Budget	-	-	-	-	-	-	-	-	-
2013-15 Emergency Boards	-	-	-	-	-	-	-	-	-
2013-15 Leg Approved Budget	-	-	-	-	-	-	-	-	-
2015-17 Base Budget Adjustments									
Net Cost of Position Actions									
Administrative Biennialized E-Board, Phase-Out	-	-	-	-	-	-	-	-	-
Estimated Cost of Merit Increase			-	-	-	-	-	-	-
Base Debt Service Adjustment			-	-	-	-	-	-	-
Base Nonlimited Adjustment			-	-	-	-	-	-	-
Capital Construction			-	-	-	-	-	-	-
Subtotal 2015-17 Base Budget	-	-	-	-	-	-	-	-	-
020 - Phase In / Out Pgm & One-time Cost									
021 - Phase-in	-	-	-	-	-	-	-	-	-
022 - Phase-out Pgm & One-time Costs	-	-	-	-	-	-	-	-	-
Subtotal	-	-	-	-	-	-	-	-	-
040 - Mandated Caseload									
040 - Mandated Caseload	-	-	-	-	-	-	-	-	-
050 - Fundshifts and Revenue Reductions									
050 - Fundshifts	-	-	-	-	-	-	-	-	-
060 - Technical Adjustments									
060 - Technical Adjustments	-	-	-	-	-	-	-	-	-
Subtotal: 2015-17 Current Service Level	-	-	-	-	-	-	-	-	-

Summary of 2015-17 Biennium Budget

**Higher Education Coordinating Commission
Capital Construction
2015-17 Biennium**

**Governor's Budget
Cross Reference Number: 52500-089-00-00-00000**

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
Subtotal: 2015-17 Current Service Level	-	-	-	-	-	-	-	-	-
070 - Revenue Reductions/Shortfall									
070 - Revenue Shortfalls	-	-	-	-	-	-	-	-	-
Modified 2015-17 Current Service Level	-	-	-	-	-	-	-	-	-
080 - E-Boards									
080 - May 2014 E-Board	-	-	-	-	-	-	-	-	-
081 - September 2014 E-Board	-	-	-	-	-	-	-	-	-
Subtotal Emergency Board Packages	-	-	-	-	-	-	-	-	-
Policy Packages									
090 - Analyst Adjustments	-	-	-	-	-	-	-	-	-
100 - Transfer to HECC	-	-	-	-	-	-	-	-	-
101 - Continue HB 5101 tuition buy-down into 2015-17	-	-	-	-	-	-	-	-	-
102 - Public University Support Fund	-	-	-	-	-	-	-	-	-
111 - Community College Support Fund	-	-	-	-	-	-	-	-	-
131 - OSAC Opportunity Grant expansion	-	-	-	-	-	-	-	-	-
151 - Community Innovation Center	-	-	-	-	-	-	-	-	-
152 - Community Leverage Fund	-	-	-	-	-	-	-	-	-
201 - CCWD: Youth Employment	-	-	-	-	-	-	-	-	-
202 - CCWD Incumbent Worker Training	-	-	-	-	-	-	-	-	-
203 - Restructuring On-going Workforce Initiatives	-	-	-	-	-	-	-	-	-
209 - Community College Capital Construction	-	-	-	-	-	-	-	-	-
211 - OSAC ASPIRE support funds	-	-	-	-	-	-	-	-	-
212 - OSAC: ASPIRE expansion	-	-	-	-	-	-	-	-	-

Summary of 2015-17 Biennium Budget

**Higher Education Coordinating Commission
Capital Construction
2015-17 Biennium**

**Governor's Budget
Cross Reference Number: 52500-089-00-00-00000**

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
213 - OSAC Student Outreach	-	-	-	-	-	-	-	-	-
214 - OSAC Scholarship Restoration	-	-	-	-	-	-	-	-	-
231 - HECC: ETIC reconfiguration	-	-	-	-	-	-	-	-	-
301 - HECC management streamlining and organizational needs	-	-	-	-	-	-	-	-	-
302 - DA/PCS: integrating program approvals & reviews	-	-	-	-	-	-	-	-	-
303 - Integrated research and data team	-	-	-	-	-	-	-	-	-
304 - Post-Secondary Education Association Memberships	-	-	-	-	-	-	-	-	-
311 - CWD Work Reconciliation	-	-	-	-	-	-	-	-	-
312 - CCWD Staffing Gap	-	-	-	-	-	-	-	-	-
313 - OSAC IT needs	-	-	-	-	-	-	-	-	-
Subtotal Policy Packages	-	-	-	-	-	-	-	-	-
Total 2015-17 Governor's Budget	-	-	-	-	-	-	-	-	-

Percentage Change From 2013-15 Leg Approved Budget - - - - -
 Percentage Change From 2015-17 Current Service Level - - - - -

Higher Education Coordinating Commission

Agency Number: 52500

**Agencywide Program Unit Summary
2015-17 Biennium**

Version: Y - 01 - Governor's Budget

Summary Cross Reference Number	Cross Reference Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
001-00-00-00000	Operations						
	General Fund	-	2,949,003	2,733,879	30,644,915	32,736,461	-
002-00-00-00000	Degree Authorization/Private Career Schools						
	General Fund	-	162,494	169,481	234,089	-	-
	Other Funds	-	1,932,885	1,957,474	1,812,158	2,091,005	-
	Federal Funds	-	342,759	347,571	384,013	384,013	-
	All Funds	-	2,438,138	2,474,526	2,430,260	2,475,018	-
011-00-00-00000	CCWD Office Operations						
	General Fund	-	-	-	21,807,655	20,862,657	-
	Other Funds	-	-	-	3,985,152	4,010,259	-
	Federal Funds	-	-	-	12,615,617	12,875,611	-
	All Funds	-	-	-	38,408,424	37,748,527	-
012-00-00-00000	State Support to CCs						
	General Fund	-	-	-	519,000,000	500,000,000	-
	Other Funds	-	-	-	45,810	45,810	-
	All Funds	-	-	-	519,045,810	500,045,810	-
013-00-00-00000	CCWD Federal/Other Support						
	Other Funds	-	-	-	427,582	427,582	-
	Federal Funds	-	-	-	114,901,221	114,901,221	-

Higher Education Coordinating Commission

Agency Number: 52500

**Agencywide Program Unit Summary
2015-17 Biennium**

Version: Y - 01 - Governor's Budget

Summary Cross Reference Number	Cross Reference Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
013-00-00-00000	CCWD Federal/Other Support						
	All Funds	-	-	-	115,328,803	115,328,803	-
014-00-00-00000	Youth Conservation Corp						
	General Fund	-	-	-	12,000,000	15,000,000	-
	Other Funds	-	-	-	2,492,040	2,492,040	-
	Federal Funds	-	-	-	1,165,934	1,165,934	-
	All Funds	-	-	-	15,657,974	18,657,974	-
015-00-00-00000	CCWD Debt Services						
	General Fund	-	-	-	38,416,491	27,011,491	-
	Lottery Funds	-	-	-	10,694,235	10,655,083	-
	Federal Funds	-	-	-	1	1	-
	All Funds	-	-	-	49,110,727	37,666,575	-
021-00-00-00000	Public University Support Fund						
	General Fund	-	-	-	594,000,000	593,728,327	-
022-00-00-00000	Agricultural Experiment Station						
	General Fund	-	-	-	56,996,066	56,996,066	-
023-00-00-00000	Extension Service						
	General Fund	-	-	-	41,226,540	41,226,540	-

Higher Education Coordinating Commission

Agency Number: 52500

**Agencywide Program Unit Summary
2015-17 Biennium**

Version: Y - 01 - Governor's Budget

Summary Cross Reference Number	Cross Reference Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
024-00-00-00000	Forest Research Laboratory						
	General Fund	-	-	-	6,271,107	6,271,107	-
025-00-00-00000	PU State Programs						
	General Fund	-	-	-	10,596,516	35,048,409	-
026-00-00-00000	PU Debt Service						
	General Fund	-	-	-	129,875,689	129,382,947	-
	Lottery Funds	-	-	-	32,157,371	31,986,569	-
	All Funds	-	-	-	162,033,060	161,369,516	-
027-00-00-00000	Sports Action Lottery						
	Lottery Funds	-	-	-	11,397,647	-	-
031-00-00-00000	OHSU						
	General Fund	-	-	-	77,332,846	72,562,387	-
032-00-00-00000	OHSU Bond Related Costs						
	General Fund	-	-	-	23,357,272	17,695,033	-
	Lottery Funds	-	-	-	6,669,787	-	-
	Other Funds	-	-	-	30,909,888	30,909,888	-
	All Funds	-	-	-	60,936,947	48,604,921	-
041-00-00-00000	OSAC Office Operations						
	General Fund	-	-	-	5,131,649	3,481,409	-

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2015-17 Biennium

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Agencywide Program Unit Summary - BPR010

Higher Education Coordinating Commission

Agency Number: 52500

**Agencywide Program Unit Summary
2015-17 Biennium**

Version: Y - 01 - Governor's Budget

Summary Cross Reference Number	Cross Reference Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
041-00-00-00000	OSAC Office Operations						
	Other Funds	-	-	-	1,970,260	2,021,163	-
	Federal Funds	-	-	-	-	731,958	-
	All Funds	-	-	-	7,101,909	6,234,530	-
042-00-00-00000	OSAC Other Programs						
	General Fund	-	-	-	948,619	948,619	-
	Other Funds	-	-	-	14,529,568	14,529,568	-
	All Funds	-	-	-	15,478,187	15,478,187	-
043-00-00-00000	Opportunity Grants						
	General Fund	-	-	-	179,224,269	128,111,514	-
	Lottery Funds	-	-	-	3,775,731	13,888,486	-
	Other Funds	-	-	-	163,213	1,263,213	-
	All Funds	-	-	-	183,163,213	143,263,213	-
044-00-00-00000	ASPIRE						
	General Fund	-	-	-	3,378,116	1,651,790	-
	Other Funds	-	-	-	192,887	192,867	-
	Federal Funds	-	-	-	-	661,488	-
	All Funds	-	-	-	3,571,003	2,506,145	-

Higher Education Coordinating Commission

Agency Number: 52500

Agencywide Program Unit Summary
2015-17 Biennium

Version: Y - 01 - Governor's Budget

<i>Summary Cross Reference Number</i>	<i>Cross Reference Description</i>	<i>2011-13 Actuals</i>	<i>2013-15 Leg Adopted Budget</i>	<i>2013-15 Leg Approved Budget</i>	<i>2015-17 Agency Request Budget</i>	<i>2015-17 Governor's Budget</i>	<i>2015-17 Leg Adopted Budget</i>
089-00-00-00000	Capital Construction						
	Other Funds	-	-	-	181,988,473	-	-
TOTAL AGENCY							
	General Fund	-	3,111,497	2,903,360	1,750,441,839	1,682,714,757	-
	Lottery Funds	-	-	-	64,694,771	56,530,138	-
	Other Funds	-	1,932,885	1,957,474	238,517,031	57,983,395	-
	Federal Funds	-	342,759	347,571	129,066,786	130,720,226	-
	All Funds	-	5,387,141	5,208,405	2,182,720,427	1,927,948,516	-

Reduction Options

10% REDUCTIONS OPTIONS (ORS 291.216)

ACTIVITY OR PROGRAM	DESCRIBE REDUCTION	AMOUNT AND FUND TYPE	RANK AND JUSTIFICATION
(WHICH PROGRAM OR ACTIVITY WILL NOT BE UNDERTAKEN)	(DESCRIBE THE EFFECTS OF THIS REDUCTION, INCLUDE POSITIONS AND FTE IN 2009-11 AND 2011-13)	(GF, LF, OF, FF, IDENTIFY REVENUE SOURCE FOR OF, FF)	(RANK THE ACTIVITIES OR PROGRAMS NOT UNDERTAKEN IN ORDER OF LOWEST COST FOR BENEFIT OBTAINED)
10% General Fund Reduction			
<p>HECC 1. <u>HECC Operations</u> 10% reduction from administration within operations.</p>	<p>This reflects 10% from the operations budget. This will impact the agency's ability to coordinate the postsecondary education enterprise and merge CCWD, HECC, OSAC, and the OUS functions into a single entity. This will most likely need to be taken from Personal Services and would cut approximately 2 positions.</p>	<p>\$392,012 GF</p>	
<p>CCWD 1. <u>Community College Support Fund (CCSF)</u> (CCSF is 98% of GF, excluding Office Ops) Community colleges rely on three complementary funding streams to support education and workforce services to local communities: General Fund appropriations through the CCSF, property taxes, and student tuition and fees.</p>	<p>This reduction would decrease the support fund to \$470 million. The roll up of the 2013-15 tuition buy down brings CSL to \$485 million. The impact of this reduction would be to force community colleges to have to have "make up" the tuition increases that they avoided in 2013-15 to maintain operations. This will have an adverse impact on student affordability.</p>	<p>\$49,562,292 GF</p>	

ACTIVITY OR PROGRAM	DESCRIBE REDUCTION	AMOUNT AND FUND TYPE	RANK AND JUSTIFICATION
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<p>CCWD Office Operations 10% reduction from administration within office operations</p>	<p>This reduction would be taken in the research area. This reflects 0.60 to 1.0 FTE depending on position. This will impact the ability to provide data and information to HECC on initiative results and progress to 40-40-20.</p>	<p>\$175,241 GF</p>	
<p>CCWD Workforce Initiative (WFI is 2% of GF, excluding Office Ops)</p> <p>This program funds “on the job training” (OJT), which is a reimbursed “hire first” program and also the National Career Readiness Certificate (NCRC) which demonstrates that an individual has the job ready skills for which an employer is looking.</p>	<p>Reduces the amount of funding that can be used for preparing and assisting displaced workers find new jobs.</p>	<p>\$812,041 GF</p>	
<p>PUBLIC UNIVERSITY 1. PU Support Fund The Public University Support Fund is the primary means by which the state invests in the educational mission of its public universities. The Higher Education Coordinating Commission in collaboration with the seven public universities, and student and faculty leadership are undertaking a process to restructure the allocation of the Public University Support Fund to match the HECC’s “Productivity Agenda” which focuses on access and completion for all resident students, with particular focus on those students who need the most support and are least likely to complete.</p>	<p>This will reduce the amount of funding that is distributed to each of the seven universities. The likely response to this reduction would be:</p> <ul style="list-style-type: none"> • Program eliminations • Fewer course offerings, • Use of fund balance; depleting reserves can result in an inability to respond to emergencies • Tuition increases, which would further exacerbate affordability 	<p>\$65,419,154 GF</p>	

ACTIVITY OR PROGRAM	DESCRIBE REDUCTION	AMOUNT AND FUND TYPE	RANK AND JUSTIFICATION
<p><u>Agricultural Experiment Station (AES)</u> AES is an economic engine for much of rural Oregon, as well as for food systems and export industries in the metro area, with a multimillion dollar influence in the statewide economy.</p>	<p>A reduction in General Fund could necessitate program eliminations, including related tenure/tenure track positions and associated support staff, as well as closure of select branch stations. There would likely be a collateral negative impact on research productivity. Any actual cut scenarios would be the purview of Oregon State University Board of Trustees and administration.</p>	<p>\$6,589,842 GF</p>	
<p><u>Extension Service (ES)</u> ES provides services in counties across the state.</p> <p>Any actual cut scenarios would be the purview of Oregon State University Board of Trustees and administration</p>	<p>A reduction in General Fund could reduce the number of community educators. This will also reduce capacity to generate external grant and contract funding. Reduced service would impact some of the state's most vulnerable populations, including limited resource families and youth.</p>	<p>\$4,792,612 GF</p>	
<p><u>Forest Research Laboratory (FRL)</u> The historical relationship between the state and Oregon's forest industry has provided approximately a 50/50 shared funding for FRL research and development in recognition that the economy, the environment, communities and Oregonians all gain from healthy forests.</p>	<p>A significant reduction in appropriated funding puts at risk the loss of Harvest Tax revenue for FRL. Options for managing a 10% reduction in General Fund appropriations could include reduction of research activities in water quality/riparian management, production planning/modeling, economical harvest and transport processes for biomass based energy, and green building practices.</p>	<p>\$718,892 GF</p>	

ACTIVITY OR PROGRAM	DESCRIBE REDUCTION	AMOUNT AND FUND TYPE	RANK AND JUSTIFICATION
<p><u>State Programs</u> The State Programs category is intended to encompass General Fund support for certain institutes, centers, and programs operated by the former Oregon University System (OUS) and now, largely continued by the seven public universities that address the economic development, resource base, public service needs of the state of Oregon. Many of these programs have an industry-specific focus, and receive additional investments from the private sector and other sources.</p>	<p>During any funding reduction, the HECC would recommend a pro-rate distribution of funding reduction amongst state programs which would reduce the effectiveness of many strategic efforts designed to support key industries and unique social and community niches filled by the public universities.</p>	<p>\$2,995,382 GF</p>	
<p><u>Sports Action Lottery</u> The Sports Action Lottery was established by state statutes ORS 461.535 and 461.543 to provide funding for intercollegiate athletics at the public universities. The statute sets aside 12 percent of the funds for non-athletic graduate student scholarships. The remaining eighty-eight percent is distributed to the intercollegiate athletic departments of the public universities.</p>	<p>Reduction in scholarships impedes access, affordability and retention, thereby lowering potential progress toward increased graduation rates and overall 40-40-20 goals. Campuses with athletic programs more reliant on lottery funding would be disproportionately affected.</p>	<p>\$958,522 GF</p>	