

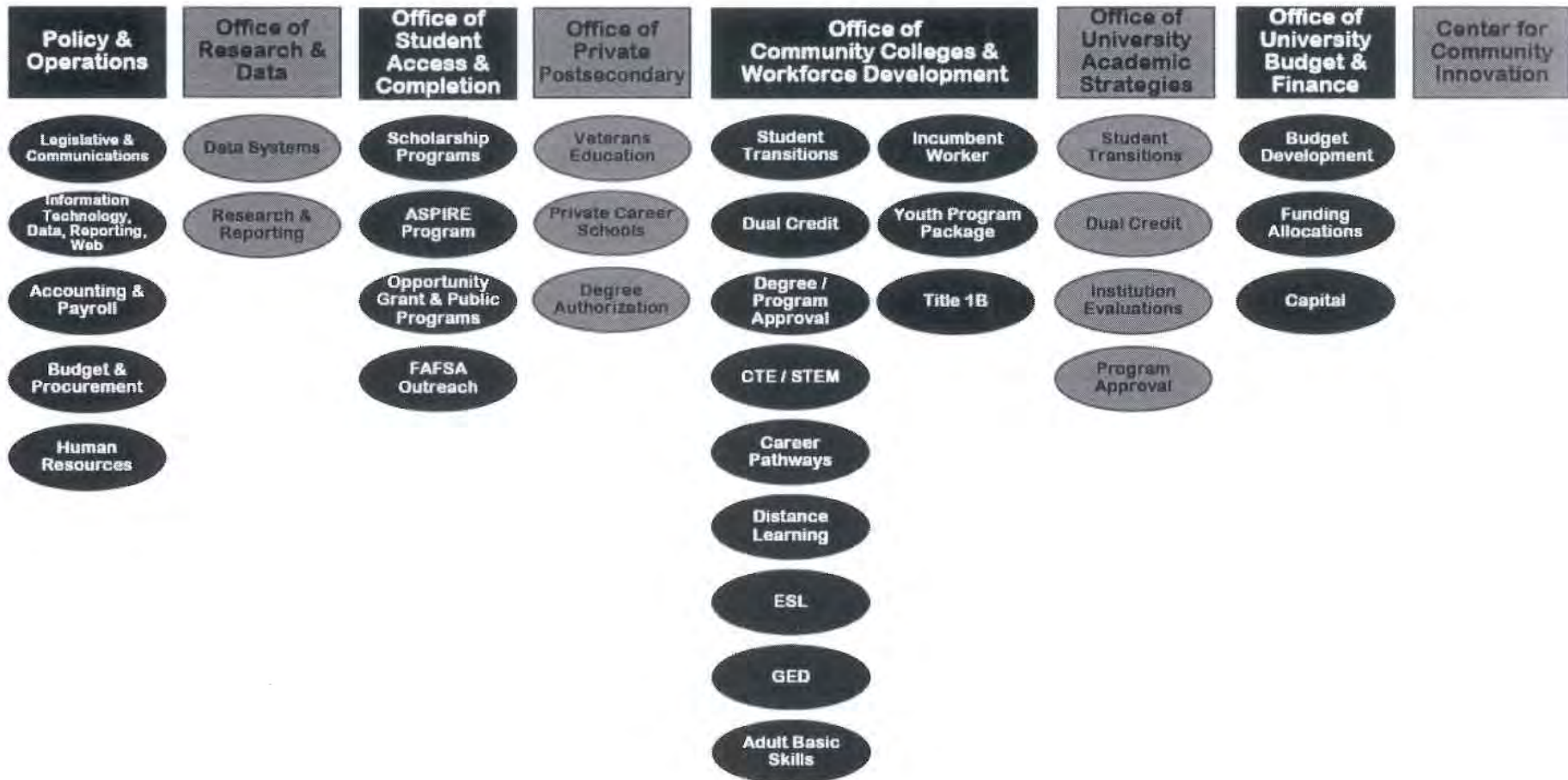
ACTIVITY OR PROGRAM	DESCRIBE REDUCTION	AMOUNT AND FUND TYPE	RANK AND JUSTIFICATION
10% Federal Funds Reduction			
<p>HECC 1. Veterans Education HECC funds an annual performance contract with the Department of Veterans Affairs (VA) to provide assistance to the schools in the state offering programs to veterans, implement the procedures and activities necessary to meet the requirements of Chapter 1006 of Title 10 U.S.C. or Chapter 30, 32, 34,35 or 36 of Title 38 U.S.C</p>	<p>This reduction would decrease the funding available to assist veterans in meeting their postsecondary goals. This is at a time of increased need due to the conflicts in Iraq and Afghanistan and the returning veterans of those conflicts.</p>	<p>\$39,790 FF</p>	
<p>CCWD 1. Funding for Local and Regional Workforce Investment Board Support Title IB of the Workforce Investment Act funds for adult, dislocated workers, youth employment training programs, and other workforce training programs. This program is funded by the U.S. Dept. of Labor (DOL). Title II of the Workforce Investment Act includes funds to support developmental education for adults. This program is funded by the U.S. Department of Education.</p>	<p>Reduction includes Title IB and II of the Workforce Investment Act. The effect on Title IB would be a reduction of funds that pay for training, retraining, and skill upgrades to Oregonians seeking skills to enter the workforce or who have been dislocated from employment and require retraining to re-enter the workforce. The effect on Title II would be a reduction of support of Adult Basic Skills at community colleges and the Department of Corrections. This would negatively affect job readiness and transition to credit postsecondary education.</p>	<p>\$11,082,164 FF Title IB and Title II</p>	

ACTIVITY OR PROGRAM	DESCRIBE REDUCTION	AMOUNT AND FUND TYPE	RANK AND JUSTIFICATION
10% Other Funds Reduction			
HECC - ODA/PCS Receives license fees from private schools that allows them to operate in Oregon.	This program is self-funding. The State's ability to comply with required oversight would be negatively affected.	\$166,767 OF Fees	
CCWD 1. Funding of the Oregon Youth Conservation Corps. The purpose of this program is to establish and maintain education and environmental program for disadvantaged and at-risk youth.	Would reduce many education, training, and employment opportunities for our most at-risk youth ages 13-24. These youth report their OYCC experience increased their academic and work skills as well as increasing their interest in further education and job training.	\$550,997 Amusement Device Tax	
CCWD 2. General Educational Development (GED) Testing Program. The purpose of this program is to provide the GED Test to adults without a high school credential. ORS 326.550 allows the State Board of Education to establish a nonrefundable application fee to cover the costs of administering this program.	This program is self-funding. The State's ability to comply with required GED Testing Service policy would be negatively affected. To use this fee for any other than GED testing would require a change in statute.	\$169,745 GED Fees	

Higher Education Coordinating Commission (HECC) 2015-17 Organization Chart

HECC Program Areas

HECC Executive Director



REVENUES

REVENUE FORECAST NARRATIVE	OTHER FUNDS	FEDERAL FUNDS	LOTTERY FUNDS
CCWD			
<p><u>General Educational Development (GED) Testing Program:</u> The purpose of this program is to provide the GED Test to adults without a high school credential. ORS 326.550 allows the State Board of Education to establish a nonrefundable application fee to cover the costs of administering this program. The 2014 GED Test fees are: \$38.00 per test, a total of \$152.00 for all four tests, of those fees \$8 per test is paid to CCWD for administration of the program. GED candidates receive their initial certificate and transcript free; duplicate certificates and transcripts may be ordered through DiplomaSender.com for a fee of \$18.00 per document. Revenue projections are based on the number of tests and document requests anticipated based on history and other inputs, such as economic conditions.</p>	\$792,695		
<p><u>Carl Perkins Career and Technical Education Act Funds:</u> The purpose of the Carl Perkins funding is to develop more fully the academic and career and technical skills of high school and community college students who enroll in career and technical education programs. 85 percent of Oregon’s allocation is distributed to high schools and community colleges (50 percent to high schools and 50 percent to community colleges). Oregon community colleges use these federal resources to build on efforts to assist students in meeting challenging academic and technical standards, including preparation for high skill, high wage, or high demand occupations in current or emerging professions. Community colleges also use these federal Perkins funds to support partnerships among high schools, universities, and business and industry. The Oregon Department of Education receives the funds from the U.S. DOE and then passes a portion to CCWD.</p>	\$2,054,854		
<p><u>Oregon Youth Conservation Corps:</u> The purpose of this program is to establish and maintain an education and environmental program for disadvantaged and at-risk youth. A significant share of the funding for this program comes from Amusement Device Taxes (ADT), Oregon State Marine Board grants and from partner agencies. Anticipated revenues are expected to be sufficient to support essential budget level expenditures.</p>	\$2,124,288		

REVENUE FORECAST NARRATIVE	OTHER FUNDS	FEDERAL FUNDS	LOTTERY FUNDS
<p><u>Timber Tax:</u> Forestland owners paid a reduced property tax annually then paid a tax when timber was harvested. In 2003, the forestland owners owning large tracts of forestland switched to paying all of their property tax annually with no tax paid if they harvest. There was, however, an option for landowners of small tracts to continue with a program that was similar to the old system, paying part of their property tax annually with a tax payment made when timber is harvested. It is estimated that the amount of land under this new option represents about 6.5% of the total amount of forestland, down significantly from the land under the programs that were phased out. In 2013 and 2014 revenues began increasing by approximately 12% and the Department of Revenue is forecasting continued increases.</p>	\$45,810		
<p><u>Workforce Investment Act (WIA) One-Stop Services:</u> Title IB of the Workforce Investment Act funds for adult, dislocated workers, youth employment training programs, and other workforce training programs. This program is funded by the U.S. Dept. of Labor (DOL). The allocation to Oregon has been trending downward for the past decade and current funding levels are approximately 40% lower than they were in 2000. The Workforce Innovation and Opportunity Act, which will be implemented on July 1, 2015, may provide additional resources to Oregon.</p>		\$94,373,182	
<p><u>WIA Title II Adult Basic Skills (ABS) Funds:</u> Title II of the Workforce Investment Act includes funds to support developmental education for adults. This program is funded by the U.S. Department of Education. Appropriations for WIA Title II are projected to remain at level funding during the next biennium based on the President's budget. The revenue includes unexpended funds from prior grants. Anticipated revenues are expected to be sufficient to support essential budget level expenditures.</p>		\$12,016,738	
<p><u>Bureau of Land Management</u> OYCC is specifically chartered by the BLM to serve as a clearinghouse for all forms of youth conservation corps operating in Oregon, including school, tribal, youth offender, and nonprofit organization crews. The BLM provides the funding and OYCC manages the grants at the local level.</p>		\$1,165,934	
<p><u>National Emergency Grants (Non-Ltd):</u> National Emergency Grants are discretionary grants awarded by the Secretary of Labor pursuant to the federal Workforce Investment Act. Funds are awarded to provide employment-related service for dislocated workers, and are reserved and made available for obligation by the Secretary. In Oregon, application is made for an NEG when a local area is faced with a layoff that affects more than 50 workers. Due to an increase in need elsewhere in the country, CCWD anticipates a decrease in NEG funds available to Oregon.</p>		\$18,968,832	

REVENUE FORECAST NARRATIVE	OTHER FUNDS	FEDERAL FUNDS	LOTTERY FUNDS
ODA/PCS			
<p><u>VA/SAA US Veterans Administration Contract (Veterans Education):</u> The SAA enters into an annual performance contract with the Department of Veterans Affairs (VA) to provide assistance to the schools in the state offering programs to veterans, implement the procedures and activities necessary to meet the requirements of Chapter 1006 of Title 10 U.S.C. or Chapter 30, 32, 34, 35 or 36 of Title 38 U.S.C. The Higher Education Coordinating Commission is designated as the State Approving Agency (SAA) for Oregon under Title 38 Codes of Federal Regulation 21.4150.</p>		\$384,013	

DETAIL OF LOTTERY FUNDS, OTHER FUNDS, AND FEDERAL FUNDS REVENUE

Higher Education Coordinating Commission
2015-17 Biennium

Agency Number: 52500
Cross Reference Number: 52500-000-00-00-00000

Source	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
Lottery Funds						
Transfer from Agy-Res Equity	-	-	-	417,133	-	-
Tsfr From Administrative Svcs	-	-	-	64,694,771	56,482,921	-
Total Lottery Funds	-	-	-	\$65,111,904	\$56,482,921	-
Other Funds						
Non-business Lic. and Fees	-	657,945	657,945	657,945	792,695	-
Charges for Services	-	858,000	858,000	1,990,567	2,485,367	-
Admin and Service Charges	-	-	-	1,356,021	1,356,021	-
Lottery Bonds	-	-	-	181,988,473	-	-
Interest Income	-	-	-	80,082	80,082	-
Donations	-	-	-	12,357,654	12,357,654	-
Other Revenues	-	1,650	1,650	1,967,712	3,140,697	-
Transfer In - Intrafund	-	200,000	200,000	693,741	493,741	-
Transfer from Agy-Res Equity	-	-	-	3,567,911	3,567,911	-
Tsfr From Human Svcs, Dept of	-	-	-	1,928,000	1,928,000	-
Tsfr From Administrative Svcs	-	-	-	30,909,888	30,909,888	-
Tsfr From Revenue, Dept of	-	-	-	1,745,810	1,745,810	-
Tsfr From Marine Bd, Or State	-	-	-	103,000	103,000	-
Tsfr From Education, Dept of	-	-	-	2,054,854	2,054,854	-
Transfer Out - Intrafund	-	-	-	(493,741)	(493,741)	-
Transfer to General Fund	-	-	-	(48,549)	(48,549)	-
Tsfr To Comm Coll/Wkfrc Dev	-	-	(64,000)	-	-	-
Total Other Funds	-	\$1,717,595	\$1,653,595	\$240,859,368	\$60,473,430	-
Federal Funds						
Federal Funds	-	359,995	359,995	110,367,954	112,021,394	-

Agency Request
2015-17 Biennium

Governor's Budget
Page _____

Legislatively Adopted
Detail of LF, OF, and FF Revenues - BPR012

DETAIL OF LOTTERY FUNDS, OTHER FUNDS, AND FEDERAL FUNDS REVENUE

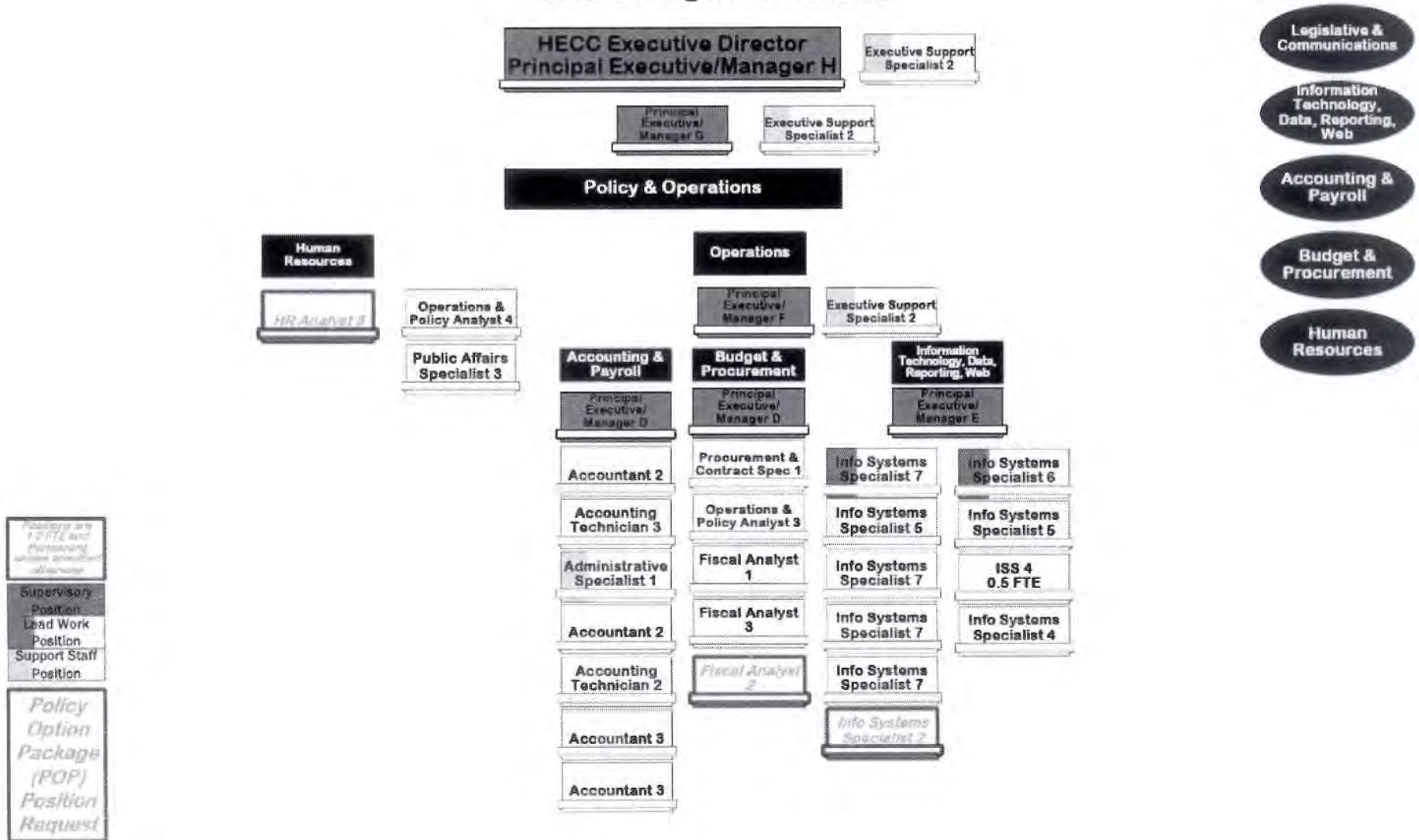
Higher Education Coordinating Commission
2015-17 Biennium

Agency Number: 52500
Cross Reference Number: 52500-000-00-00-00000

<i>Source</i>	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
Federal Funds						
Tsfr To Governor, Office of the	-	-	-	(270,000)	(270,000)	-
Total Federal Funds	-	\$359,995	\$359,995	\$110,097,954	\$111,751,394	-
Nonlimited Other Funds						
Other Revenues	-	69,000	69,000	69,000	69,000	-
Transfer Out - Intrafund	-	(200,000)	(200,000)	(200,000)	-	-
Total Nonlimited Other Funds	-	(\$131,000)	(\$131,000)	(\$131,000)	\$69,000	-
Nonlimited Federal Funds						
Federal Funds	-	-	-	18,968,832	18,968,832	-
Total Nonlimited Federal Funds	-	-	-	\$18,968,832	\$18,968,832	-

HIGHER EDUCATION COORDINATING COMMISSION (HECC) OPERATIONS

2013-15 Organization Chart



HECC Operations: Description

As the HECC, we have been given the responsibility for overseeing the critical segments of the pathways to educational success from the point at which students are completing their high school diplomas and moving forward to learning, training and mastering skills in college and career training programs.

We are a coordinating commission for students, mindful of the state's interest in their success as contributing members of society, rather than a governing board for colleges and universities concerned with their viability as institutions. Our goal is to build accessible and affordable pathways to opportunity and success for Oregonians that can be sustained by innovative and high-performing public and private institutions of postsecondary education throughout the state.

Additionally, with the integration of CCWD, OSAC, and the dissolution of OUS, the HECC agency identified natural efficiencies in this larger organization. For instance, research functions existed at both the CCWD and OUS; a single unit for postsecondary research and data is proposed. Conjoining budget/procurement and IT into agencywide support teams produces increased function. Similarly, converting previously contracted administrative services such as accounting and payroll, and human resources allows agency savings and in-house staff practicality.

HECC Operations: Essential and Policy Packages

Package 010: Vacancy Factor and Non-PICS Personal Services

The method for determining vacancy savings is provided by the Department of Administrative Services. HECC's vacancy factor calculation a savings from the 2013-15 Legislatively Approved Budget of \$45,957 General Fund.

Additional changes include:

1. Pension Bond contributions increased General Fund by \$41,334.
2. Mass Transit costs increased by \$3,694 General Fund.

Package 021: Phase in

HECC as an agency was created in 2013-15 and was only partially funded for the biennium. This package reflects the phase in to a full biennium. Phase in of Services and Supplies (primarily rent \$98,654) of \$177,355 General Fund and Special Payments of \$19,744,404 General Fund in order to move ETIC/Industry Affairs to HECC after the OEIB sunset. The ETIC funds will be used in conjunction with Package 231 to accomplish specific policy objectives outlined in that package. The package total is \$19,921,759 General Fund.

Package 031: Standard Inflation and State Government Service Charges

Applying the standard inflation factors as provided by the Department of Administrative Services to Services and Supplies, and some Special Payments, results in an increase of \$ 27,072 General Fund.

Package 032: Above Standard Inflation

Above standard inflation was applied to Data Processing and Professional Services for a total increase of \$27,787 General Fund. Above standard inflation was also added to Other Services and Supplies, which increased General Fund by \$123,035. These expenditures were shifted out of State Government Service Charges as directed by the Department of Administrative Services.

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Higher Education Coordinating Commission
 Pkg: 010 - Non-PICS Psnl Svc / Vacancy Factor

Cross Reference Name: Operations
 Cross Reference Number: 52500-001-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Beginning Balance							
Beginning Balance	-	-	-	-	-	-	-
Total Beginning Balance	-	-	-	-	-	-	-
Revenues							
General Fund Appropriation	(246)	-	-	-	-	-	(246)
Total Revenues	(\$246)	-	-	-	-	-	(\$246)
Personal Services							
All Other Differential	554	-	-	-	-	-	554
Public Employees' Retire Cont	87	-	-	-	-	-	87
Pension Obligation Bond	41,334	-	-	-	-	-	41,334
Social Security Taxes	42	-	-	-	-	-	42
Mass Transit Tax	3,694	-	-	-	-	-	3,694
Vacancy Savings	(45,957)	-	-	-	-	-	(45,957)
Total Personal Services	(\$246)	-	-	-	-	-	(\$246)
Total Expenditures							
Total Expenditures	(246)	-	-	-	-	-	(246)
Total Expenditures	(\$246)	-	-	-	-	-	(\$246)
Ending Balance							
Ending Balance	-	-	-	-	-	-	-
Total Ending Balance	-	-	-	-	-	-	-

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Higher Education Coordinating Commission
Pkg: 021 - Phase-in

Cross Reference Name: Operations
Cross Reference Number: 52500-001-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
General Fund Appropriation	19,921,759	-	-	-	-	-	19,921,759
Total Revenues	\$19,921,759	-	-	-	-	-	\$19,921,759
Services & Supplies							
Instate Travel	3,560	-	-	-	-	-	3,560
Employee Training	18,440	-	-	-	-	-	18,440
Office Expenses	10,934	-	-	-	-	-	10,934
Telecommunications	8,297	-	-	-	-	-	8,297
State Gov. Service Charges	-	-	-	-	-	-	-
Data Processing	3,488	-	-	-	-	-	3,488
Publicity and Publications	2,637	-	-	-	-	-	2,637
Attorney General	11,160	-	-	-	-	-	11,160
Employee Recruitment and Develop	2,127	-	-	-	-	-	2,127
Dues and Subscriptions	2,637	-	-	-	-	-	2,637
Facilities Rental and Taxes	98,654	-	-	-	-	-	98,654
Other Services and Supplies	2,659	-	-	-	-	-	2,659
Expendable Prop 250 - 5000	12,762	-	-	-	-	-	12,762
Total Services & Supplies	\$177,355	-	-	-	-	-	\$177,355
Special Payments							
Other Special Payments	19,744,404	-	-	-	-	-	19,744,404
Total Special Payments	\$19,744,404	-	-	-	-	-	\$19,744,404

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Higher Education Coordinating Commission
 Pkg: 021 - Phase-in

Cross Reference Name: Operations
 Cross Reference Number: 52500-001-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Total Expenditures							
Total Expenditures	19,921,759	-	-	-	-	-	19,921,759
Total Expenditures	\$19,921,759	-	-	-	-	-	\$19,921,759
Ending Balance							
Ending Balance	-	-	-	-	-	-	-
Total Ending Balance	-	-	-	-	-	-	-

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Higher Education Coordinating Commission
 Pkg: 022 - Phase-out Pgm & One-time Costs

Cross Reference Name: Operations
 Cross Reference Number: 52500-001-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
General Fund Appropriation	-	-	-	-	-	-	-
Total Revenues	-	-	-	-	-	-	-
Personal Services							
Mass Transit Tax	-	-	-	-	-	-	-
Total Personal Services	-	-	-	-	-	-	-
Total Expenditures							
Total Expenditures	-	-	-	-	-	-	-
Total Expenditures	-	-	-	-	-	-	-
Ending Balance							
Ending Balance	-	-	-	-	-	-	-
Total Ending Balance	-	-	-	-	-	-	-

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Higher Education Coordinating Commission
 Pkg: 031 - Standard Inflation

Cross Reference Name: Operations
 Cross Reference Number: 52500-001-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
General Fund Appropriation	27,072	-	-	-	-	-	27,072
Total Revenues	\$27,072	-	-	-	-	-	\$27,072
Services & Supplies							
Instate Travel	2,055	-	-	-	-	-	2,055
Employee Training	638	-	-	-	-	-	638
Office Expenses	794	-	-	-	-	-	794
Telecommunications	853	-	-	-	-	-	853
State Gov. Service Charges	10,036	-	-	-	-	-	10,036
Publicity and Publications	106	-	-	-	-	-	106
Professional Services	7,500	-	-	-	-	-	7,500
Attorney General	(523)	-	-	-	-	-	(523)
Employee Recruitment and Develop	177	-	-	-	-	-	177
Dues and Subscriptions	942	-	-	-	-	-	942
Facilities Rental and Taxes	1,966	-	-	-	-	-	1,966
Agency Program Related S and S	44	-	-	-	-	-	44
Other Services and Supplies	371	-	-	-	-	-	371
Expendable Prop 250 - 5000	2,025	-	-	-	-	-	2,025
IT Expendable Property	88	-	-	-	-	-	88
Total Services & Supplies	\$27,072	-	-	-	-	-	\$27,072

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Higher Education Coordinating Commission
 Pkg: 031 - Standard Inflation

Cross Reference Name: Operations
 Cross Reference Number: 52500-001-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Total Expenditures							
Total Expenditures	27,072	-	-	-	-	-	27,072
Total Expenditures	\$27,072	-	-	-	-	-	\$27,072
Ending Balance							
Ending Balance	-	-	-	-	-	-	-
Total Ending Balance	-	-	-	-	-	-	-

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Higher Education Coordinating Commission
 Pkg: 032 - Above Standard Inflation

Cross Reference Name: Operations
 Cross Reference Number: 52500-001-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
General Fund Appropriation	150,822	-	-	-	-	-	150,822
Total Revenues	\$150,822	-	-	-	-	-	\$150,822
Services & Supplies							
Data Processing	27,712	-	-	-	-	-	27,712
Professional Services	75	-	-	-	-	-	75
Facilities Rental and Taxes	-	-	-	-	-	-	-
Other Services and Supplies	123,035	-	-	-	-	-	123,035
Total Services & Supplies	\$150,822	-	-	-	-	-	\$150,822
Total Expenditures							
Total Expenditures	150,822	-	-	-	-	-	150,822
Total Expenditures	\$150,822	-	-	-	-	-	\$150,822
Ending Balance							
Ending Balance	-	-	-	-	-	-	-
Total Ending Balance	-	-	-	-	-	-	-

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Higher Education Coordinating Commission
 Pkg: 060 - Technical Adjustments

Cross Reference Name: Operations
 Cross Reference Number: 52500-001-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Beginning Balance							
Beginning Balance	-	-	-	-	-	-	-
Total Beginning Balance	-	-	-	-	-	-	-
Revenues							
General Fund Appropriation	-	-	-	-	-	-	-
Charges for Services	-	-	-	-	-	-	-
Other Revenues	-	-	-	-	-	-	-
Federal Funds	-	-	-	-	-	-	-
Tsfr From HECC	-	-	-	-	-	-	-
Tsfr From Education, Dept of	-	-	-	-	-	-	-
Total Revenues	-	-	-	-	-	-	-
Ending Balance							
Ending Balance	-	-	-	-	-	-	-
Total Ending Balance	-	-	-	-	-	-	-

POLICY PACKAGE 080
2015-17 Budget
May 2014 Emergency Board

PURPOSE

The Oregon State University System (OUS) has provided research and data support for university information. These functions are scheduled to be discontinued on June 30, 2015. HECC requested and received from the May 2014 Emergency Board \$700,000 General Fund to contract with OUS for 4/7ths of the OUS research team for the second year of the biennium. This package biennializes the emergency board action.

HOW ACHIEVED

This package biennializes the emergency board action so that HECC can maintain university data and research capacity on a permanent basis. The funding has also been adjusted for inflation. See partner package 303 “Integrated Research & Data Team” for how this funding is converted into permanent positions and capacity as part of an integrated university and community college research team.

STAFFING IMPACT

In conjunction with Package 303, creates 5.0 FTE positions generated from the dollar allocation; these positions will function in the newly created postsecondary Research & Data Unit.

QUANTIFYING RESULTS

The research team will be able to continue to monitor results of compacts, outcomes based funding, and other initiatives so that HECC can most effectively coordinate resources and effort across the postsecondary continuum.

REVENUE SOURCE

\$1,442,000 General Fund

GOVERNOR’S RECOMMENDED BUDGET

Recommended as modified.

Reduces General Fund by \$42,000 to match the total reconfiguration in Package 303.

\$1,400,000 General Fund

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Higher Education Coordinating Commission
 Pkg: 080 - May 2014 E-Board

Cross Reference Name: Operations
 Cross Reference Number: 52500-001-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
General Fund Appropriation	1,400,000	-	-	-	-	-	1,400,000
Total Revenues	\$1,400,000	-	-	-	-	-	\$1,400,000
Services & Supplies							
Professional Services	1,400,000	-	-	-	-	-	1,400,000
Total Services & Supplies	\$1,400,000	-	-	-	-	-	\$1,400,000
Total Expenditures							
Total Expenditures	1,400,000	-	-	-	-	-	1,400,000
Total Expenditures	\$1,400,000	-	-	-	-	-	\$1,400,000
Ending Balance							
Ending Balance	-	-	-	-	-	-	-
Total Ending Balance	-	-	-	-	-	-	-

POLICY PACKAGE 090
2015-17 Budget
Analyst Adjustments

PURPOSE

ETIC funding is reduced by 10 percent from CSL and remaining funding is transferred to the Public University State Programs SCR.

HOW ACHIEVED

Package 090 reduces General Fund by \$24,451,274

STAFFING IMPACT

There will be no anticipated staffing impacts at the HECC.

REVENUE SOURCE

(\$24,451,274) General Fund

GOVERNOR'S RECOMMENDED BUDGET

Recommended as added in the Governor's Recommended Budget.

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Higher Education Coordinating Commission
Pkg: 090 - Analyst Adjustments

Cross Reference Name: Operations
Cross Reference Number: 52500-001-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
General Fund Appropriation	(24,451,274)	-	-	-	-	-	(24,451,274)
Total Revenues	(\$24,451,274)	-	-	-	-	-	(\$24,451,274)
Special Payments							
Other Special Payments	(24,451,274)	-	-	-	-	-	(24,451,274)
Total Special Payments	(\$24,451,274)	-	-	-	-	-	(\$24,451,274)
Total Expenditures							
Total Expenditures	(24,451,274)	-	-	-	-	-	(24,451,274)
Total Expenditures	(\$24,451,274)	-	-	-	-	-	(\$24,451,274)
Ending Balance							
Ending Balance	-	-	-	-	-	-	-
Total Ending Balance	-	-	-	-	-	-	-

POLICY PACKAGE 151
2015-17 Budget
Community Innovation Center

PURPOSE

Oregon's 40-40-20 Goal states that by 2025, all Oregon students will complete high school, with 40% going on to earn a bachelor's degree or higher and another 40% earning an associate's degree or credential of economic value. The Goal is specifically related to the levels of educational attainment for students, but has become shorthand for the type of workforce and conditions necessary to drive a strong economy. The Governor's 10-year budget identified outcomes in health, early learning, education, workforce and economic development. These key state outcomes – increasing numbers of healthy children, ready for kindergarten, reading by 3rd grade, completing high school, earning degrees & certificates, and engaging in meaningful work – represent the conditions necessary to achieve 40-40-20, as well as its ultimate promise.

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.

Successful implementation of these new and innovative models requires both sufficient local capacity and a state infrastructure that works for communities.

HOW ACHIEVED

To ensure that the communities and our state agencies have access to best practices, technical assistance and support for continuous improvement, the Governor 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 peer networks and learning collaboratives
- Work to remove barriers to transformation at the state level
- Engage diverse communities and stakeholders in the work of transformation
- 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
- Connect regions to state data & analytic capacity

STAFFING IMPACT

- 2.0 FTE, Program Executive Manager G's
- 1.0 FTE, Principal Executive/Manager F transferred from the Governor's Office
- 1.0 FTE, Operations and Policy Analyst 4
- 1.0 FTE, Operations and Policy Analyst 2
- 1.0 FTE, Office Specialist 2

QUANTIFYING RESULTS

The community-based collaboratives in health (CCOs), early learning (hubs), education (RACs), workforce investment boards (WIBs), and economic development (Regional Solutions) have all been approved by the legislature and the Governor and are key modes of implementation for achieving the state's 10-year plan outcomes in these policy areas and the 40-40-20 Goal. This biennium, it is critical that the state have capacity to support and study these efforts, as well as to link them to private, philanthropic and civic sources of funding to ensure sustainability and leverage state investment. The Center for Community Innovation would achieve the following results:

- Every region of the state receives technical assistance and support in developing a plan for addressing key state outcomes
- Philanthropy, private and civic resources are leveraged and aligned with state resources to support local action
- Regions have access to shared learning and best practices in collaboration and transformational strategies
- Barriers to successful implementation are addressed and state agencies are supported in developing ways to work beyond traditional silos

REVENUE SOURCE

\$1,616,489 General Fund

GOVERNOR'S RECOMMENDED BUDGET

Recommended as added in the Governor's Recommended Budget.

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Higher Education Coordinating Commission
 Pkg: 151 - Community Innovation Center

Cross Reference Name: Operations
 Cross Reference Number: 52500-001-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
General Fund Appropriation	1,616,489	-	-	-	-	-	1,616,489
Total Revenues	\$1,616,489	-	-	-	-	-	\$1,616,489
Personal Services							
Class/Undass Sal. and Per Diem	1,005,336	-	-	-	-	-	1,005,336
Empl. Rel. Bd. Assessments	264	-	-	-	-	-	264
Public Employees' Retire Cont	158,743	-	-	-	-	-	158,743
Social Security Taxes	76,910	-	-	-	-	-	76,910
Worker's Comp. Assess. (WCD)	414	-	-	-	-	-	414
Mass Transit Tax	6,032	-	-	-	-	-	6,032
Flexible Benefits	183,168	-	-	-	-	-	183,168
Reconciliation Adjustment	(101,268)	-	-	-	-	-	(101,268)
Total Personal Services	\$1,329,599	-	-	-	-	-	\$1,329,599
Services & Supplies							
Instate Travel	10,333	-	-	-	-	-	10,333
Employee Training	19,302	-	-	-	-	-	19,302
Office Expenses	11,981	-	-	-	-	-	11,981
Telecommunications	9,216	-	-	-	-	-	9,216
State Gov. Service Charges	19,506	-	-	-	-	-	19,506
Data Processing	3,740	-	-	-	-	-	3,740
Publidity and Publications	2,765	-	-	-	-	-	2,765
Professional Services	20,000	-	-	-	-	-	20,000
Attorney General	25,000	-	-	-	-	-	25,000

____ Agency Request
 2015-17 Biennium

____ Governor's Budget
 Page _____

____ Legislatively Adopted
 Essential and Policy Package Fiscal Impact Summary - BPR013

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Higher Education Coordinating Commission
 Pkg: 151 - Community Innovation Center

Cross Reference Name: Operations
 Cross Reference Number: 52500-001-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Services & Supplies							
Employee Recruitment and Develop	2,255	-	-	-	-	-	2,255
Dues and Subscriptions	2,765	-	-	-	-	-	2,765
Facilities Rental and Taxes	143,692	-	-	-	-	-	143,692
Other Services and Supplies	2,816	-	-	-	-	-	2,816
Expendable Prop 250- 5000	13,519	-	-	-	-	-	13,519
Total Services & Supplies	\$286,890	-	-	-	-	-	\$286,890
Total Expenditures							
Total Expenditures	1,616,489	-	-	-	-	-	1,616,489
Total Expenditures	\$1,616,489	-	-	-	-	-	\$1,616,489
Ending Balance							
Ending Balance	-	-	-	-	-	-	-
Total Ending Balance	-	-	-	-	-	-	-
Total Positions							
Total Positions							6
Total Positions	-	-	-	-	-	-	6
Total FTE							
Total FTE							6.00
Total FTE	-	-	-	-	-	-	6.00

02/03/15 REPORT NO.: PDPFISCAL
 REPORT: PACKAGE FISCAL IMPACT REPORT
 AGENCY:52500 HIGHER EDUCATION COORD COMM
 SUMMARY XREF:001-00-00 Operations

DEPT. OF ADMIN. SVCS. -- PPDB PICS SYSTEM

2015-17
 PICS SYSTEM: BUDGET PREPARATION

PAGE 1
 PROD FILE

PACKAGE: 151 - Community Innovation Center

POSITION NUMBER	CLASS	COMP	CLASS NAME	POS CNT	FTE	MOS	STEP	RATE	GF SAL/OPE	OF SAL/OPE	FF SAL/OPE	LF SAL/OPE	AF SAL/OPE
5250039	MENNZ7012	AA	PRINCIPAL EXECUTIVE/MANAGER	G	1	1.00	24.00	09 10,306.00	247,344 88,619				247,344 88,619
5250040	MENNZ7012	AA	PRINCIPAL EXECUTIVE/MANAGER	G	1	1.00	24.00	09 10,306.00	247,344 88,619				247,344 88,619
5250041	MENNZ7010	AA	PRINCIPAL EXECUTIVE/MANAGER	F	1	1.00	24.00	09 8,917.00	214,008 80,805				214,008 80,805
5250042	MMN X0873	AA	OPERATIONS & POLICY ANALYST	4	1	1.00	24.00	02 5,764.00	138,336 63,067				138,336 63,067
5250043	OA C0871	AA	OPERATIONS & POLICY ANALYST	2	1	1.00	24.00	02 4,161.00	99,864 54,049				99,864 54,049
5250044	OA C0104	AA	OFFICE SPECIALIST	2	1	1.00	24.00	02 2,435.00	58,440 44,340				58,440 44,340
TOTAL PICS SALARY									1,005,336				1,005,336
TOTAL PICS OPE									419,499				419,499
TOTAL PICS PERSONAL SERVICES =									---	---	---	---	---
									6	6.00	144.00		1,424,835

POLICY PACKAGE 152
2015-17 Budget
Community Leverage Fund

PURPOSE

Oregon's 40-40-20 Goal states that by 2025, all Oregon students will complete high school, with 40% going on to earn a bachelor's degree or higher and another 40% earning an associate's degree or credential of economic value. The Goal is specifically related to the levels of educational attainment for students, but has become shorthand for the type of workforce and conditions necessary to drive a strong economy. The Governor's 10-year budget identified outcomes in health, early learning, education, workforce and economic development. These key state outcomes – increasing numbers of healthy children, ready for kindergarten, reading by 3rd grade, completing high school, earning degrees & certificates, and engaging in meaningful work – represent the conditions necessary to achieve 40-40-20, as well as its ultimate promise.

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.

Successful implementation of these new and innovative models requires sufficient local capacity and the ability to make investments that are specifically directed toward implementation of cross-sector projects identified by the community collaboratives.

HOW ACHIEVED

To accelerate on-the-ground action and leverage public, private and civic resources, the Governor's Budget 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.

To be eligible for the funds, regions would (1) designate a lead collaborative and an organization to receive the funds (county or city government, nonprofit organization, tribe, school district, ESD or post-secondary institution) and (2) submit an invest plan that lead to projects that meet the following criteria:

- A proven record of collaboration within the community and/or region, and participation from at least two established community-based systems (CCO, Early Learning Hub, Regional Achievement Collaborative, Workforce Investment Board, or Regional Solutions Advisory).
- A commitment to securing matching resources from federal, local, philanthropic, civic or business sources.

-
- An actionable on-the-ground plan, driven by data and promising practices, for improving two or more key state outcomes, such as healthy birth weight, family stability, kindergarten readiness, 3rd grade reading proficiency, high school graduation, degrees and certificates tied to local economic priorities, business retention, or job creation.
 - A commitment to engaging a diverse set of partners and to using data to focus efforts on improving outcomes for racial/ethnic minorities, children & families in poverty, and/or rural communities.
 - A strategy for engaging a broad set of leaders and interests in the community to build capacity and ensure sustainability.

The Center for Community Innovation would provide technical assistance to support regions in developing a strong scope of work and project plan.

STAFFING IMPACT

There will be no anticipated staffing impacts at the HECC.

QUANTIFYING RESULTS

The community-based collaboratives in health (CCOs), early learning (hubs), education (RACs), workforce investment boards (WIBs), and economic development (Regional Solutions) have all been approved by the legislature and the Governor and are key modes of implementation for achieving the state's 10-year plan outcomes in these policy areas and the 40-40-20 Goal. The Community Leverage fund would provide regions with some additional capacity to achieve the following results:

- Regions identify priorities and are empowered to develop a plan that meets their needs
- At least one cross-sector project addressing key state outcomes would be successfully completed in every region of the State.
- Public, private and civic resources and partnerships are leveraged, improving sustainability and effectiveness of the collaboratives.
- Shared vision and commitment for improving outcomes & reducing disparities is built among & between collaboratives
- The state acts as a partner in the collaboratives, increasing local trust, community engagement and local empowerment.

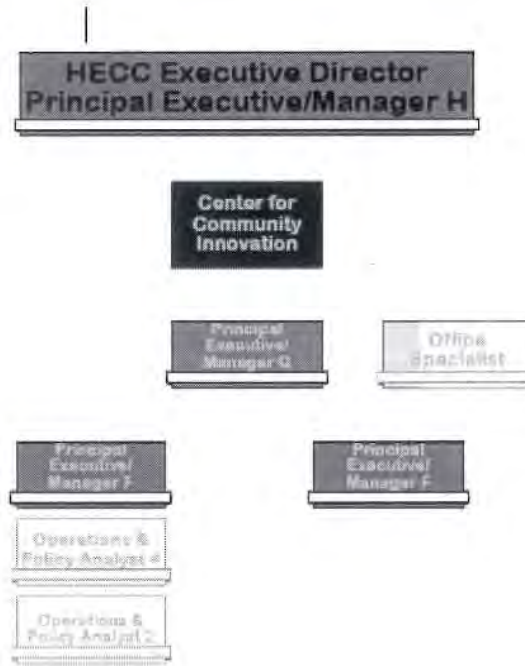
REVENUE SOURCE

\$25,000,00 General Fund

GOVERNOR'S RECOMMENDED BUDGET

Recommended as added in the Governor's Recommended Budget.

Center for Community Innovation



Supervisory
Position
Lead Work
Position
Support Staff
Position

*Policy
Option
Package
(POP)
Position
Request*

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Higher Education Coordinating Commission
 Pkg: 152 - Community Leverage Fund

Cross Reference Name: Operations
 Cross Reference Number: 52500-001-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
General Fund Appropriation	25,000,000	-	-	-	-	-	25,000,000
Total Revenues	\$25,000,000	-	-	-	-	-	\$25,000,000
Special Payments							
Other Special Payments	25,000,000	-	-	-	-	-	25,000,000
Total Special Payments	\$25,000,000	-	-	-	-	-	\$25,000,000
Total Expenditures							
Total Expenditures	25,000,000	-	-	-	-	-	25,000,000
Total Expenditures	\$25,000,000	-	-	-	-	-	\$25,000,000
Ending Balance							
Ending Balance	-	-	-	-	-	-	-
Total Ending Balance	-	-	-	-	-	-	-

POLICY PACKAGE 231
2015-17 Budget
ETIC Reconfiguration

PURPOSE

Package 231 is designed to complete shifting 80% of the Engineering Technology Industry Council's (ETIC) funding from the Oregon Education Investment Board (OEIB) to the Higher Education Coordinating Commission (HECC).

HOW ACHIEVED

ETIC, by legislative action was shifted from the Oregon University System (OUS) to the OEIB. Due to the OEIB sunset HECC acts as a successor organization for ETIC. The portion of funds relating to ETIC post-OEIB subset were moved to HECC Operations. It was determined through collaboration between ETIC, the OEIB and HECC that it is both appropriate and reasonable to shift a greater portion of funds to the HECC and that these funds would be treated as "sustaining" investments in the public universities to support the advances made in engineering and technology education and research since the inception of ETIC. The total "sustaining" funds available to the HECC for allocation to universities will be \$24,706,870; \$19,744,404 will flow through essential packages while the remainder flows through this package.

STAFFING IMPACT

There will be no anticipated staffing impacts at the HECC.

QUANTIFYING RESULTS

The impacts of this investment will be seen in the sustained degree and research production at the public universities which currently and in the future will receive ETIC sustaining funding.

REVENUE SOURCE

\$4,706,870 General Fund

GOVERNOR'S RECOMMENDED BUDGET

Recommended.

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Higher Education Coordinating Commission
 Pkg: 231 - HECC: ETIC reconfiguration

Cross Reference Name: Operations
 Cross Reference Number: 52500-001-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
General Fund Appropriation	4,706,870	-	-	-	-	-	4,706,870
Total Revenues	\$4,706,870	-	-	-	-	-	\$4,706,870
Special Payments							
Other Special Payments	4,706,870	-	-	-	-	-	4,706,870
Total Special Payments	\$4,706,870	-	-	-	-	-	\$4,706,870
Total Expenditures							
Total Expenditures	4,706,870	-	-	-	-	-	4,706,870
Total Expenditures	\$4,706,870	-	-	-	-	-	\$4,706,870
Ending Balance							
Ending Balance	-	-	-	-	-	-	-
Total Ending Balance	-	-	-	-	-	-	-

POLICY PACKAGE 301
2015-2017 Budget
HECC Management Streamlining and Organizational Needs

PURPOSE

The combining of the Office of Student Access and Completion (OSAC), the Department of Community Colleges and Workforce Development (CCWD), and the Higher Education Coordinating Commission (HECC) into one mid-size agency creates the opportunity (where practical) to co-locate and bring services in-house. This also allows for the more efficient use of resources in both the administration and program areas. 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.

HOW ACHIEVED

Currently, HECC, CCWD, and OSAC all contract for HR and some Payroll services through DAS. OSAC and HECC contract for Accounting services and HECC contracts for Budget and IT services. Internal audit resources are very limited in the current structure (OSAC contracts for limited services) and CCWD lost their shared service with the Department of Education on July 1, 2014. This package moves and combines CCWD's Budget, Accounting, Payroll, Procurement and IT with OSAC's Budget, Accounting, IT, and Internal Audit funding into a single division in HECC. This provides the synergy for adequate budget, accounting, payroll, procurement, and IT across the entire enterprise. The savings from no longer contracting HR services allows for the creation of an HR professional in house and will provide a more consistent and timely addressing of HR issues and needs. IT services are currently stretched (and incomplete in some areas) in each organization and this will allow for a central full service IT section with proper backup. Currently CCWD is the only entity of the three that has procurement staff and this will allow for the entire enterprise to have dedicated procurement staff. Funds are also repurposed from DAS charges to additional resource for Internal Audit contracting.

STAFFING IMPACT

- 1.0 FTE, Information Systems Specialist 2
- 1.0 FTE, Fiscal Analyst 2
- 1.0 FTE, Human Resource Analyst 3

QUANTIFYING RESULTS

This package will primarily address administrative needs within the enterprise. Success will be measured by administrative efficiency and effectiveness. Areas measured: timely and appropriate HR actions, effective accounting and budget activities with success measured by the CAFR audit and effective and timely budget information provided to decision makers, IT success will be measured by percent up time on IT systems, availability of help desk support, and computer availability to staff when needed.

The enterprise will develop the standards for each area of measurement early in the 2015-17 biennium as the three separate entities merge.

REVENUE SOURCE

\$450,206 General Fund

GOVERNOR'S RECOMMENDED BUDGET

Recommended as modified.

Reduces General Fund by \$30,653, eliminating amount budgeted for rent and reducing remaining Services and Supplies by 10 percent.

\$419,553 General Fund

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Higher Education Coordinating Commission
Pkg: 301 - HECC management streamlining and organizational needs

Cross Reference Name: Operations
Cross Reference Number: 52500-001-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
General Fund Appropriation	419,553	-	-	-	-	-	419,553
Total Revenues	\$419,553	-	-	-	-	-	\$419,553
Personal Services							
Class/Unclass Sal. and Per Diem	295,632	-	-	-	-	-	295,632
Empl. Rel. Bd. Assessments	132	-	-	-	-	-	132
Public Employees' Retire Cont	46,679	-	-	-	-	-	46,679
Social Security Taxes	22,616	-	-	-	-	-	22,616
Worker's Comp. Assess. (WCD)	207	-	-	-	-	-	207
Mass Transit Tax	1,774	-	-	-	-	-	1,774
Flexible Benefits	91,584	-	-	-	-	-	91,584
Total Personal Services	\$458,624	-	-	-	-	-	\$458,624
Services & Supplies							
Instate Travel	2,605	-	-	-	-	-	2,605
Employee Training	10,661	-	-	-	-	-	10,661
Office Expenses	5,562	-	-	-	-	-	5,562
Telecommunications	4,635	-	-	-	-	-	4,635
State Gov. Service Charges	-	-	-	-	-	-	-
Data Processing	2,503	-	-	-	-	-	2,503
Publicity and Publications	1,391	-	-	-	-	-	1,391
Professional Services	45,000	-	-	-	-	-	45,000
Employee Recruitment and Develop	1,112	-	-	-	-	-	1,112
Dues and Subscriptions	1,390	-	-	-	-	-	1,390

____ Agency Request
 2015-17 Biennium

____ Governor's Budget
 Page _____

____ Legislatively Adopted
 Essential and Policy Package Fiscal Impact Summary - BPR013

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Higher Education Coordinating Commission
 Pkg: 301 - HECC management streamlining and organizational needs

Cross Reference Name: Operations
 Cross Reference Number: 52500-001-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Services & Supplies							
Facilities Rental and Taxes	-	-	-	-	-	-	-
Other Services and Supplies	(120,975)	-	-	-	-	-	(120,975)
Expendable Prop 250 - 5000	7,045	-	-	-	-	-	7,045
Total Services & Supplies	(\$39,071)	-	-	-	-	-	(\$39,071)
Total Expenditures							
Total Expenditures	419,553	-	-	-	-	-	419,553
Total Expenditures	\$419,553	-	-	-	-	-	\$419,553
Ending Balance							
Ending Balance	-	-	-	-	-	-	-
Total Ending Balance	-	-	-	-	-	-	-
Total Positions							
Total Positions							3
Total Positions	-	-	-	-	-	-	3
Total FTE							
Total FTE							3.00
Total FTE	-	-	-	-	-	-	3.00

02/03/15 REPORT NO.: PDPFISCAL
 REPORT: PACKAGE FISCAL IMPACT REPORT
 AGENCY:52500 HIGHER EDUCATION COORD COMM
 SUMMARY XREF:001-00-00 Operations

DEPT. OF ADMIN. SVCS. -- PPDB PICS SYSTEM

2015-17
 PICS SYSTEM: BUDGET PREPARATION
 PAGE 2
 PRD FILE

PACKAGE: 301 - HECC management streamlining a

POSITION NUMBER CLASS COMP CLASS NAME	POS CNT	PTE	MOS	STEP	RATE	GF SAL/OPE	OF SAL/OPE	FF SAL/OPE	LF SAL/OPE	AF SAL/OPE
5250030 OA C1482 IA INFO SYSTEMS SPECIALIST 2	1	1.00	24.00	02	3,178.00	76,272 48,519				76,272 48,519
5250031 OA C1244 AA FISCAL ANALYST 2	1	1.00	24.00	02	4,161.00	99,864 54,049				99,864 54,049
5250032 MMC X1322 AA HUMAN RESOURCE ANALYST 3	1	1.00	24.00	02	4,979.00	119,496 58,650				119,496 58,650
TOTAL PICS SALARY						295,632				295,632
TOTAL PICS OPE						161,218				161,218
TOTAL PICS PERSONAL SERVICES =	3	3.00	72.00			456,850				456,850

POLICY PACKAGE 303
2015-17 Budget
Integrated Research & Data Team

PURPOSE

The HECC was created to better coordinate postsecondary resources and action across the entire continuum. HB 4018 of the 2014 Legislative Session moves CCWD from a stand-alone agency to a department within HECC. The OUS system and centralized support is disbanded as of June 30, 2015 and the responsibility of state oversight is transferred to the HECC. The HECC needs an integrated research and data team to ensure that the data is available to make informed decisions across the entire postsecondary arena. The educational reforms passed during the 2013-15 legislature created an opportunity to improve the understanding of the nature of Oregon’s public higher education through the creation of a single robust data warehouse, where two separate and distinct data collections previously existed. The community colleges and public universities 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.

HOW ACHIEVED

CCWD has 4 research staff in their base budget and these staff will be located in HECC Operations as a direct report to the HECC Executive Director. The funding the HECC requested in the May 2014 Emergency Board and biennialized in Package 80 is being converted to fund 5 additional research staff to permanently replace the OUS research capability. These 9 staff will be combined into an integrated team to provide data driven analysis across the entire spectrum of postsecondary efforts and provide the HECC effective information to steer the postsecondary enterprise. 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 their parents. It is rare for a student to attend a university for four consecutive years, then graduate. Education policy experts have determined that completing college credits in high school improves the chances of student success. In this generation, education is less frequently obtained at a single institution; many students enroll 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 policymakers to create the best pathways for student success. Additionally, a single educational information warehouse will help 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.

STAFFING IMPACT

- 1.0 FTE, Research Analyst 3
- 1.0 FTE, Research Analyst 4
- 1.0 FTE, Information Specialist 7
- 2.0 FTE, Operations and Policy Analyst 4

QUANTIFYING RESULTS

Progress toward 40-40-20

REVENUE SOURCE

None; companion to Package 80: May eBoard

GOVERNOR’S RECOMMENDED BUDGET

Recommended.

Office of Research & Data



Office of Research & Data

Principal Executive/Manager E

Operations & Policy Analyst 4

Administrative Specialist 2

Research Analyst 4

Institutional Research (OUS)

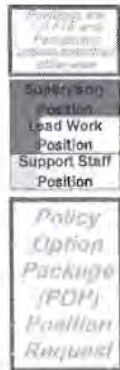
Info Systems Specialist 2

Operations & Policy Analyst 4

Operations & Policy Analyst 4

Research Analyst 3

Research Analyst 3



ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Higher Education Coordinating Commission
Pkg: 303 - Integrated research and data team

Cross Reference Name: Operations
Cross Reference Number: 52500-001-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Personal Services							
Class/Unclass Sal. and Per Diem	730,512	-	-	-	-	-	730,512
Empl. Rel. Bd. Assessments	220	-	-	-	-	-	220
Public Employees' Retire Cont	115,349	-	-	-	-	-	115,349
Social Security Taxes	55,884	-	-	-	-	-	55,884
Worker's Comp. Assess. (WCD)	345	-	-	-	-	-	345
Mass Transit Tax	4,383	-	-	-	-	-	4,383
Flexible Benefits	152,640	-	-	-	-	-	152,640
Total Personal Services	\$1,059,333	-	-	-	-	-	\$1,059,333
Services & Supplies							
Instate Travel	4,202	-	-	-	-	-	4,202
Employee Training	16,841	-	-	-	-	-	16,841
Office Expenses	9,991	-	-	-	-	-	9,991
Telecommunications	8,240	-	-	-	-	-	8,240
Data Processing	3,864	-	-	-	-	-	3,864
Publicity and Publications	2,266	-	-	-	-	-	2,266
Professional Services	(1,400,000)	-	-	-	-	-	(1,400,000)
IT Professional Services	211,530	-	-	-	-	-	211,530
Employee Recruitment and Develop	1,854	-	-	-	-	-	1,854
Dues and Subscriptions	2,266	-	-	-	-	-	2,266
Facilities Rental and Taxes	35,920	-	-	-	-	-	35,920
Other Services and Supplies	2,833	-	-	-	-	-	2,833
Expendable Prop 250- 5000	6,360	-	-	-	-	-	6,360

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Higher Education Coordinating Commission
 Pkg: 303 - Integrated research and data team

Cross Reference Name: Operations
 Cross Reference Number: 52500-001-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Services & Supplies							
IT Expendable Property	34,500	-	-	-	-	-	34,500
Total Services & Supplies	(\$1,059,333)	-	-	-	-	-	(\$1,059,333)
Total Expenditures							
Total Expenditures	-	-	-	-	-	-	-
Total Expenditures	-	-	-	-	-	-	-
Ending Balance							
Ending Balance	-	-	-	-	-	-	-
Total Ending Balance	-	-	-	-	-	-	-
Total Positions							
Total Positions							5
Total Positions	-	-	-	-	-	-	5
Total FTE							
Total FTE							5.00
Total FTE	-	-	-	-	-	-	5.00

02/03/15 REPORT NO.: PPDPFISCAL
 REPORT: PACKAGE FISCAL IMPACT REPORT
 AGENCY:52500 HIGHER EDUCATION COORD COMM
 SUMMARY XREF:001-00-00 Operations

DEPT. OF ADMIN. SVCS. -- PPDB PICS SYSTEM

PAGE 3
 2015-17
 PROD FILE
 PICS SYSTEM: BUDGET PREPARATION

PACKAGE: 303 - Integrated research and data t

POSITION NUMBER CLASS COMP CLASS NAME	POS CNT	FTE	MOS	STEP	RATE	GF SAL/OPE	OF SAL/OPE	FF SAL/OPE	LF SAL/OPE	AF SAL/OPE
5250033 OA C1117 AA RESEARCH ANALYST 3	1	1.00	24.00	02	3,974.00	95,376 52,997				95,376 52,997
5250034 OA C1487 IA INFO SYSTEMS SPECIALIST 7	1	1.00	24.00	09	7,197.00	172,728 71,129				172,728 71,129
5250035 OA C0873 AA OPERATIONS & POLICY ANALYST 4	1	1.00	24.00	09	7,358.00	176,592 72,034				176,592 72,034
5250036 OA C0873 AA OPERATIONS & POLICY ANALYST 4	1	1.00	24.00	06	6,380.00	153,120 66,533				153,120 66,533
5250037 OA C1118 AA RESEARCH ANALYST 4	1	1.00	24.00	05	5,529.00	132,696 61,745				132,696 61,745
TOTAL PICS SALARY						730,512				730,512
TOTAL PICS OPE						324,438				324,438
TOTAL PICS PERSONAL SERVICES =	5	5.00	120.00			1,054,950				1,054,950

POLICY PACKAGE 304
2015-17 Budget
Postsecondary Education Association Memberships

PURPOSE

The HECC is newly responsible for maintaining State's membership in national organizations that provide important benefits for higher education policymakers, institutions, and students. Package 304 assures continuity in state membership in these organizations.

HOW ACHIEVED

More than 80 percent of this request covers dues associated with Oregon's membership in the Western Interstate Commission on Higher Education (WICHE). WICHE's members include the 15 Western states and the Commonwealth of the Northern Mariana Islands. This cost was historically paid by the Oregon University System. The remaining funding portion of this package provides for dues associated with Oregon's membership in the Education Commission of the States (ECS) [cost is being pooled equally with the Oregon Education Investment Board and the Oregon Department of Education] and the State Higher Education Executive Officers Association (SHEEO).

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. These organizations provide policy tools and resources to legislators, legislative staff, boards/commissions, and agency staff; they also engage in liaison advocacy between states and the federal government, provides opportunities for learning and collaborating, and offer information and analysis on education and public policy issues.

STAFFING IMPACT

There will be no anticipated staffing impacts at the HECC.

QUANTIFYING RESULTS

Lack of continued membership in these organizations would greatly diminish available tools and resources, limit subject matter expertise information, and reflect poorly on overall on Oregon's educational leadership.

REVENUE SOURCE

\$381,317 General Fund

GOVERNOR'S RECOMMENDED BUDGET

Recommended.

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Higher Education Coordinating Commission
 Pkg: 304 - Post-Secondary Education Association Memberships

Cross Reference Name: Operations
 Cross Reference Number: 52500-001-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
General Fund Appropriation	381,317	-	-	-	-	-	381,317
Total Revenues	\$381,317	-	-	-	-	-	\$381,317
Services & Supplies							
Professional Services	381,317	-	-	-	-	-	381,317
Total Services & Supplies	\$381,317	-	-	-	-	-	\$381,317
Total Expenditures							
Total Expenditures	381,317	-	-	-	-	-	381,317
Total Expenditures	\$381,317	-	-	-	-	-	\$381,317
Ending Balance							
Ending Balance	-	-	-	-	-	-	-
Total Ending Balance	-	-	-	-	-	-	-

Office of Private Postsecondary Programs

- Veterans Education**
- Private Career Schools**
- Degree Authorization**

**HECC Executive Director
Principal Executive/Manager H**

Office of Private Postsecondary

Principal Executive/Manager E

Education Program Specialist E

Veterans Education

Private Career Schools

Degree Authorization

**OS2
0.5 FTE**

**OS2
0.5 FTE**

**OS1
0.5 FTE**

Program Analyst 2

Administrative Specialist 2

Program Analyst 2

Education Program Specialist 1

Program Analyst 1

Program Analyst 2

Positions are 1.0 FTE and Permanent unless specified otherwise

Supervisory Position
Lead Work Position
Support Staff Position

Policy Option Package (POP) Position Request

OFFICE OF DEGREE AUTHORIZATION/ PRIVATE CAREER SCHOOLS/ VETERANS EDUCATION: Description

Every Oregon school must have approval to offer courses, services, or other activities for college credit in the state, even when the college is regionally or nationally accredited, and regardless of whether these academic programs are offered at a campus or other site in Oregon, or to Oregon students via distance learning or online delivery from outside the state. Apart from Oregon's public colleges and universities, Oregon community colleges, and certain non-profit private colleges with a long history in Oregon, all degree-granting schools must be authorized by ODA to offer academic programs in Oregon.

Office of Degree Authorization (ODA)

ODA is responsible for authorization of academic programs offered by degree-granting institutions under its regulatory oversight, including degree, partial degree, placement, and non-degree programs. Schools that meet the twenty Oregon standards described in Oregon Administrative Rule (OAR) 583-030-0035, may be authorized to offer full academic degree programs, courses for college credit, and clinical, student-teaching, internship, externship, or other placement programs. ODA is responsible for the review and authorization of programs at all levels, from Associate's to Doctoral degrees - regardless of the school's accreditation status. ODA also approves certificate and other non-degree programs offered by degree-granting private colleges.

ODA grants approval of exempt status to qualifying schools under criteria determined by current statutes and administrative rules. Exempt status is determined by the ODA Administrator based on application, review, and verification of the relevant criteria. The ODA validates individual claims of degree possession, enforces restrictions on use of an unapproved degree in Oregon and on substandard or fraudulent degree-granting activities, and provides degree evaluation services to individuals (and employers of these individuals) wishing to use an unaccredited degree from another state or country in Oregon.

The ODA also provides updated information for prospective students and employers on suspected degree mills and unaccredited schools operating both inside and outside of Oregon. The primary objective is to protect Oregon students and employers from individuals using fake or substandard credentials, and from schools operating without the appropriate legal status. As online education becomes much more common, it remains ODA's goal to ensure both the quality of educational opportunities available to students in Oregon, and the qualification of employees hired to work in Oregon.

Some states, like Oregon, authorize degree programs from unaccredited schools after an extensive evaluation process. Other states require accreditation as a prerequisite for offering degree programs, and there are also many states that do not have an adequate process to provide oversight of degree-granting schools in their state, either because of their laws or because they lack appropriate enforcement agencies. Oregon's Office of Degree Authorization has been recognized nationally and internationally for their work related to the legal basis for degree-granting authority, and for retaining records related to unauthorized, unaccredited and fake degree suppliers.

The ODA is responsible for authorizing out of state on-line degree programs offered by public and private institutions to Oregon students. In addition, the ODA is responsible for overseeing Oregon's participation in the State Authorizing Reciprocity Agreement (SARA), a multistate reciprocity agreement governing online postsecondary education. Under the SARA agreement, the HECC serves as the portal agency that will oversee Oregon's public and private higher education institutions that seek to participate in the reciprocity agreement. The benefit for participation to Oregon higher education institutions is that they would no longer have to seek approval from SARA member states in order for them to offer their online programs.

Private Career Schools Licensing Unit (PCSLU)

Private career school programs provide opportunities for students who have a very specific career focus. These schools instruct students in career fields as diverse as computer technology, cosmetology, health care, real estate and business. The PCSLU licenses private career schools, provides business and fiscal standards, as well as, an instructional design system for schools to use when creating their curricula, educational leadership, technical assistance, training, and support to as many as 375, and as few as 200 Private Career Schools in Oregon at any given time. The number of licensed career schools fluctuates as new schools open and existing schools close. This function ensures the protection, education, and welfare of Oregonians by establishing business and fiscal standards for these schools.

Veterans Education (VA/SAA)

As the State Approving Agency (SAA) it is responsible for assuring that the programs approved for the training of veterans offered in all postsecondary institutions in Oregon are quality programs. The institutions offering these programs include the state supported colleges and universities, community colleges, private institutions of higher learning and private career schools. The SAA enters into an annual performance contract with the Department of Veterans Affairs (VA) to provide assistance to the schools in the state offering programs to veterans, implement the procedures and activities necessary to meet the requirements of Chapter 1006 of Title 10 U.S.C. or Chapter 30, 32, 34,35 or 36 of Title 38 U.S.C. The HECC is designated as the State Approving Agency (SAA) for Oregon under Title 38 Codes of Federal Regulation 21.4150

ODA/PCS/VA: Essential and Policy Packages

Package 010: Vacancy Factor and Non-PICS Personal Services

The method for determining vacancy savings is provided by the Department of Administrative Services. ODA/PCS's vacancy factor calculation decreased savings for ODA/PCS/VA from the 2013-15 Legislatively Approved Budget by \$6,170 General Fund, \$0 Other Funds, and \$0 Federal Funds.

Additional changes include:

1. Pension Bond contributions decreased General Fund by \$5,585, increased Other Funds by \$1,924, and increased Federal Funds by \$630.
2. Mass Transit costs decreased by \$585 General Fund and \$11 Other Funds.

Package 021: Phase in:

ODA/PCS was moved from the Department of Education and was only partially funded for the biennium. This package reflects the phase in to a full biennium. Phase in of Rent of \$52,754 Other Funds and \$11,138 Federal Funds and Attorney General expenses of \$4,693 Other Funds and \$1,260 Federal Funds. The package total is \$57,477 Other Funds and \$12,398 Federal Funds.

Package 022: Phase out:

Phase out of one time funding; \$19,472 General Fund and \$157,500 Other Fund. \$150,000 of this phase-out is Professional Services.

Package 031: Standard Inflation and State Government Service Charges

Applying the standard inflation factors as provided by the Department of Administrative Services to Services and Supplies, and some Special Payments, results in an increase of \$16,533 Other Funds, \$4,920 Federal Funds and \$6,000 Non limited Other Funds.

Package 032: Above Standard Inflation:

Above standard inflation was applied to Data Processing and Other Services and Supplies for a total increase of \$46,430 General Fund and \$13,891 Federal Funds. The above standard inflation for Other Services and Supplies is \$31,751 General Fund and \$13,891 Federal Funds for expenditures. These expenditures were shifted out of State Government Service Charges as directed by the Department of Administrative Services.

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Higher Education Coordinating Commission
 Pkg: 010 - Non-PICS Psnl Svc / Vacancy Factor

Cross Reference Name: Degree Authorization/Private Career Schools
 Cross Reference Number: 52500-002-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Beginning Balance							
Beginning Balance	-	-	-	-	-	-	-
Beginning Balance Adjustment	-	-	-	-	-	-	-
Total Beginning Balance	-	-	-	-	-	-	-
Revenues							
General Fund Appropriation	(6,170)	-	-	-	-	-	(6,170)
Total Revenues	(\$6,170)	-	-	-	-	-	(\$6,170)
Personal Services							
Pension Obligation Bond	(5,585)	-	1,924	630	-	-	(3,031)
Mass Transit Tax	(585)	-	(11)	-	-	-	(596)
Reconciliation Adjustment	-	-	-	-	-	-	-
Total Personal Services	(\$6,170)	-	\$1,913	\$630	-	-	(\$3,627)
Services & Supplies							
Instate Travel	-	-	-	-	-	-	-
Employee Training	-	-	-	-	-	-	-
Office Expenses	-	-	-	-	-	-	-
Telecommunications	-	-	-	-	-	-	-
Publicity and Publications	-	-	-	-	-	-	-
Attorney General	-	-	-	-	-	-	-
Employee Recruitment and Develop	-	-	-	-	-	-	-
Dues and Subscriptions	-	-	-	-	-	-	-
Facilities Rental and Taxes	-	-	-	-	-	-	-

Agency Request
 2015-17 Biennium

Governor's Budget
 Page _____

Legislatively Adopted
 Essential and Policy Package Fiscal Impact Summary - BPR013

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Higher Education Coordinating Commission
 Pkg: 010 - Non-PICS Psnl Svc / Vacancy Factor

Cross Reference Name: Degree Authorization/Private Career Schools
 Cross Reference Number: 52500-002-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Services & Supplies							
Other Services and Supplies	-	-	-	-	-	-	-
Expendable Prop 250 - 5000	-	-	-	-	-	-	-
Total Services & Supplies	-	-	-	-	-	-	-
Total Expenditures							
Total Expenditures	(6,170)	-	1,913	630	-	-	(3,627)
Total Expenditures	(\$6,170)	-	\$1,913	\$630	-	-	(\$3,627)
Ending Balance							
Ending Balance	-	-	(1,913)	(630)	-	-	(2,543)
Total Ending Balance	-	-	(\$1,913)	(\$630)	-	-	(\$2,543)

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Higher Education Coordinating Commission
Pkg: 021 - Phase-in

Cross Reference Name: Degree Authorization/Private Career Schools
Cross Reference Number: 52500-002-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Services & Supplies							
Instate Travel	-	-	-	-	-	-	-
Employee Training	-	-	-	-	-	-	-
Office Expenses	-	-	-	-	-	-	-
Telecommunications	-	-	-	-	-	-	-
Publicity and Publications	-	-	-	-	-	-	-
Attorney General	-	-	4,693	1,260	-	-	5,953
Employee Recruitment and Develop	-	-	-	-	-	-	-
Dues and Subscriptions	-	-	-	-	-	-	-
Facilities Rental and Taxes	-	-	52,754	11,138	-	-	63,892
Other Services and Supplies	-	-	-	-	-	-	-
Expendable Prop 250 - 5000	-	-	-	-	-	-	-
Total Services & Supplies	-	-	\$57,447	\$12,398	-	-	\$69,845
Total Expenditures							
Total Expenditures	-	-	57,447	12,398	-	-	69,845
Total Expenditures	-	-	\$57,447	\$12,398	-	-	\$69,845
Ending Balance							
Ending Balance	-	-	(57,447)	(12,398)	-	-	(69,845)
Total Ending Balance	-	-	(\$57,447)	(\$12,398)	-	-	(\$69,845)

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Higher Education Coordinating Commission
 Pkg: 022 - Phase-out Pgm & One-time Costs

Cross Reference Name: Degree Authorization/Private Career Schools
 Cross Reference Number: 52500-002-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Beginning Balance							
Beginning Balance Adjustment	-	-	-	-	-	-	-
Total Beginning Balance	-	-	-	-	-	-	-
Revenues							
General Fund Appropriation	(19,472)	-	-	-	-	-	(19,472)
Total Revenues	(\$19,472)	-	-	-	-	-	(\$19,472)
Services & Supplies							
Instate Travel	(274)	-	-	-	-	-	(274)
Employee Training	(1,371)	-	(3,500)	-	-	-	(4,871)
Office Expenses	(2,056)	-	(2,000)	-	-	-	(4,056)
Telecommunications	(2,056)	-	(1,500)	-	-	-	(3,556)
Publicity and Publications	(172)	-	-	-	-	-	(172)
Professional Services	-	-	(150,000)	-	-	-	(150,000)
Employee Recruitment and Develop	(286)	-	-	-	-	-	(286)
Dues and Subscriptions	(183)	-	-	-	-	-	(183)
Facilities Rental and Taxes	(3,427)	-	-	-	-	-	(3,427)
Agency Program Related S and S	(2,793)	-	-	-	-	-	(2,793)
Other Services and Supplies	(685)	-	(500)	-	-	-	(1,185)
Expendable Prop 250 - 5000	(6,169)	-	-	-	-	-	(6,169)
Total Services & Supplies	(\$19,472)	-	(\$157,500)	-	-	-	(\$176,972)

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Higher Education Coordinating Commission
 Pkg: 022 - Phase-out Pgm & One-time Costs

Cross Reference Name: Degree Authorization/Private Career Schools
 Cross Reference Number: 52500-002-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Total Expenditures							
Total Expenditures	(19,472)	-	(157,500)	-	-	-	(176,972)
Total Expenditures	(\$19,472)	-	(\$157,500)	-	-	-	(\$176,972)
Ending Balance							
Ending Balance	-	-	157,500	-	-	-	157,500
Total Ending Balance	-	-	\$157,500	-	-	-	\$157,500

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Higher Education Coordinating Commission
Pkg: 031 - Standard Inflation

Cross Reference Name: Degree Authorization/Private Career Schools
Cross Reference Number: 52500-002-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Services & Supplies							
Instate Travel	-	-	161	16	-	-	177
Out of State Travel	-	-	160	-	-	-	160
Employee Training	-	-	286	82	-	-	368
Office Expenses	-	-	495	123	-	-	618
Telecommunications	-	-	530	123	-	-	653
State Gov. Service Charges	-	-	7,923	3,096	-	-	11,019
Data Processing	-	-	288	-	-	-	288
Publicity and Publications	-	-	52	10	-	-	62
Professional Services	-	-	315	-	-	-	315
Attorney General	-	-	-	-	-	-	-
Employee Recruitment and Develop	-	-	86	17	-	-	103
Dues and Subscriptions	-	-	54	11	-	-	65
Facilities Rental and Taxes	-	-	1,108	250	-	-	1,358
Agency Program Related S and S	-	-	2,260	781	6,000	-	9,041
Other Services and Supplies	-	-	1,150	41	-	-	1,191
Expendable Prop 250 - 5000	-	-	1,665	370	-	-	2,035
Total Services & Supplies	-	-	\$16,533	\$4,920	\$6,000	-	\$27,453
Total Expenditures							
Total Expenditures	-	-	16,533	4,920	6,000	-	27,453
Total Expenditures	-	-	\$16,533	\$4,920	\$6,000	-	\$27,453

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Higher Education Coordinating Commission
 Pkg: 031 - Standard Inflation

Cross Reference Name: Degree Authorization/Private Career Schools
 Cross Reference Number: 52500-002-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Ending Balance							
Ending Balance	-	-	(16,533)	(4,920)	(6,000)	-	(27,453)
Total Ending Balance	-	-	(\$16,533)	(\$4,920)	(\$6,000)	-	(\$27,453)

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Higher Education Coordinating Commission
Pkg: 032 - Above Standard Inflation

Cross Reference Name: Degree Authorization/Private Career Schools
Cross Reference Number: 52500-002-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Services & Supplies							
State Gov. Service Charges	-	-	-	-	-	-	-
Data Processing	-	-	14,400	-	-	-	14,400
Professional Services	-	-	3	-	-	-	3
Attorney General	-	-	276	-	-	-	276
Facilities Rental and Taxes	-	-	-	-	-	-	-
Other Services and Supplies	-	-	31,751	13,891	-	-	45,642
Total Services & Supplies	-	-	\$46,430	\$13,891	-	-	\$60,321
Total Expenditures							
Total Expenditures	-	-	46,430	13,891	-	-	60,321
Total Expenditures	-	-	\$46,430	\$13,891	-	-	\$60,321
Ending Balance							
Ending Balance	-	-	(46,430)	(13,891)	-	-	(60,321)
Total Ending Balance	-	-	(\$46,430)	(\$13,891)	-	-	(\$60,321)

POLICY PACKAGE 301
2015-2017 Budget
HECC Management Streamlining and Organizational Needs

PURPOSE

The combining of the Office of Student Access and Completion (OSAC), the Department of Community Colleges and Workforce Development (CCWD), and the Higher Education Coordinating Commission (HECC) into one mid-size agency creates the opportunity (where practical) to co-locate and bring services in-house. This also allows for the more efficient use of resources in both the administration and program areas. 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.

HOW ACHIEVED

Currently, HECC, CCWD, and OSAC all contract for HR and some Payroll services through DAS. OSAC and HECC contract for Accounting services and HECC contracts for Budget and IT services. Internal audit resources are very limited in the current structure (OSAC contracts for limited services) and CCWD lost their shared service with the Department of Education on July 1, 2014. This package moves and combines CCWD's Budget, Accounting, Payroll, Procurement and IT with OSAC's Budget, Accounting, IT, and Internal Audit funding into a single division in HECC. This provides the synergy for adequate budget, accounting, payroll, procurement, and IT across the entire enterprise. The savings from no longer contracting HR services allows for the creation of an HR professional in house and will provide a more consistent and timely addressing of HR issues and needs. IT services are currently stretched (and incomplete in some areas) in each organization and this will allow for a central full service IT section with proper backup. Currently CCWD is the only entity of the three that has procurement staff and this will allow for the entire enterprise to have dedicated procurement staff. Funds are also repurposed from DAS charges to additional resource for Internal Audit contracting.

STAFFING IMPACT

There will be no anticipated staffing impacts to ODA/PCS/VA; FTE is increased in the HECC Operation SCR.

QUANTIFYING RESULTS

This package will primarily address administrative needs within the enterprise. Success will be measured by administrative efficiency and effectiveness. Areas measured: timely and appropriate HR actions, effective accounting and budget activities with success measured by the CAFR audit and effective and timely budget information provided to decision makers, IT success will be measured by percent up time on IT systems, availability of help desk support, and computer availability to staff when needed.

The enterprise will develop the standards for each area of measurement early in the 2015-17 biennium as the three separate entities merge.

REVENUE SOURCE

There is no revenue impact to the ODA/PCS/VA.

GOVERNOR'S RECOMMENDED BUDGET

Recommended.

Reduces the Services & Supplies Other Funds budget by \$61,517 and Federal Funds budget by \$13,891.

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Higher Education Coordinating Commission
 Pkg: 301 - HECC management streamlining and organizational needs

Cross Reference Name: Degree Authorization/Private Career Schools
 Cross Reference Number: 52500-002-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Services & Supplies							
Other Services and Supplies	-	-	(61,517)	(13,891)	-	-	(75,408)
Total Services & Supplies	-	-	(\$61,517)	(\$13,891)	-	-	(\$75,408)
Total Expenditures							
Total Expenditures	-	-	(61,517)	(13,891)	-	-	(75,408)
Total Expenditures	-	-	(\$61,517)	(\$13,891)	-	-	(\$75,408)
Ending Balance							
Ending Balance	-	-	61,517	13,891	-	-	75,408
Total Ending Balance	-	-	\$61,517	\$13,891	-	-	\$75,408

POLICY PACKAGE 302
2015-17 Budget
ODA/PCS Integrating Program Approvals and Review

PURPOSE

To sustainably integrate the private postsecondary and distance education functions. Increased effective monitoring of private postsecondary state programs, and continue implementing systems to approve and monitor distance education without a reduction in current efforts as it transitions to an interstate authorization reciprocal agreement (SARA).

Establishes a more optimal program staffing support measure, and a baseline for future fee adjustments, increased integration efforts and efficiencies towards the operational goal of these programs and units be completely self-sustainable through fee assessment, yet high performing to effectively support the steering of private, non-profit and distance/out-of-state educational systems to support Oregon's 40-40-20 goal.

HOW ACHIEVED

Restores and enhances quality monitoring efforts and effective steering of educational systems. The staffing allocation would reduce high program/school to FTE workloads allowing more timely and proactive monitoring and evaluation of private postsecondary programs; adjusts duties and assignments of new duties in anticipation of SARA implementation. Reducing individual staff workload and increasing integration across the current ODA/PCS units will result in increased site visits, proactive coaching and guidance (steering) to schools and improving program quality 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 . Restores a limited duration position, appropriately reclassifies 3 current positions for the work, and integrates efforts across ODA and PCS enhancing the unit's ability to monitor schools, provide technical assistance and increase compliance. Originally this was a request for General Funds and the package has been modified to reflect existing fee changes and the inclusion of fees for SARA. The funding for these activities will now be Other Funds and fee based.

STAFFING IMPACT

- 1.0 FTE, Education Specialist 2
- Reclassification of 2 Program Analyst 2's to Education Specialist 1's
- Reclassification of 1 Program Analyst 1 to Education Specialist 1

QUANTIFYING RESULTS

Failure to enhance the quality of compliance monitoring efforts and program reviews risks non-compliance with ODA/PCS laws and rules and out-of-state-distance education laws and guidelines, thereby impacting program offerings quality, proactive consumer protection efforts, and limiting the growth and development of pathways and networks of educational options to best support Oregon's 40-40-20 goals. Currently, more proactive monitoring efforts are hindered by large caseloads, and changing regulatory frameworks.

New internal management performance measures will allow better balance and measure: case load per specialist; renewal completion analysis response time; new school and program approval average time for completion; and overall reduction in the historic backlogs that have impacted both PCS and ODA. Additionally, a proactive decrease in non-compliance adjudicated cases during the next biennium.

REVENUE SOURCE

\$234,089 General Fund

GOVERNOR'S RECOMMENDED BUDGET

Recommended as modified.

\$0 General Funds

\$631,750 Other Funds

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Higher Education Coordinating Commission
 Pkg: 302 - DA/PCS: integrating program approvals & reviews

Cross Reference Name: Degree Authorization/Private Career Schools
 Cross Reference Number: 52500-002-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
General Fund Appropriation	-	-	-	-	-	-	-
Non-business Lic. and Fees	-	-	134,750	-	-	-	134,750
Charges for Services	-	-	697,000	-	-	-	697,000
Transfer In - Intrafund	-	-	(200,000)	-	-	-	(200,000)
Total Revenues	-	-	\$631,750	-	-	-	\$631,750
Transfers Out							
Transfer Out - Intrafund	-	-	-	-	200,000	-	200,000
Total Transfers Out	-	-	-	-	\$200,000	-	\$200,000
Personal Services							
Class/Unclass Sal. and Per Diem	-	-	145,104	-	-	-	145,104
Empl. Rel. Bd. Assessments	-	-	44	-	-	-	44
Public Employees' Retire Cont	-	-	22,912	-	-	-	22,912
Social Security Taxes	-	-	11,100	-	-	-	11,100
Worker's Comp. Assess. (WCD)	-	-	69	-	-	-	69
Mass Transit Tax	-	-	871	-	-	-	871
Flexible Benefits	-	-	30,528	-	-	-	30,528
Reconciliation Adjustment	-	-	44,758	-	-	-	44,758
Total Personal Services	-	-	\$255,386	-	-	-	\$255,386
Services & Supplies							
Instate Travel	-	-	691	-	-	-	691
Employee Training	-	-	3,584	-	-	-	3,584

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Higher Education Coordinating Commission
 Pkg: 302 - DA/PCS: integrating program approvals & reviews

Cross Reference Name: Degree Authorization/Private Career Schools
 Cross Reference Number: 52500-002-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Services & Supplies							
Office Expenses	-	-	2,048	-	-	-	2,048
Telecommunications	-	-	1,536	-	-	-	1,536
State Gov. Service Charges	-	-	3,251	-	-	-	3,251
Data Processing	-	-	666	-	-	-	666
Publicity and Publications	-	-	512	-	-	-	512
Employee Recruitment and Develop	-	-	410	-	-	-	410
Dues and Subscriptions	-	-	512	-	-	-	512
Facilities Rental and Taxes	-	-	7,282	-	-	-	7,282
Other Services and Supplies	-	-	512	-	-	-	512
Expendable Prop 250 - 5000	-	-	2,457	-	-	-	2,457
Total Services & Supplies	-	-	\$23,461	-	-	-	\$23,461
Total Expenditures							
Total Expenditures	-	-	278,847	-	-	-	278,847
Total Expenditures	-	-	\$278,847	-	-	-	\$278,847
Ending Balance							
Ending Balance	-	-	352,903	-	200,000	-	552,903
Total Ending Balance	-	-	\$352,903	-	\$200,000	-	\$552,903
Total Positions							
Total Positions	-	-	-	-	-	-	1
Total Positions	-	-	-	-	-	-	1

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Higher Education Coordinating Commission
 Pkg: 302 - DA/PCS: integrating program approvals & reviews

Cross Reference Name: Degree Authorization/Private Career Schools
 Cross Reference Number: 52500-002-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Total FTE							
Total FTE							1.00
Total FTE	-	-	-	-	-	-	1.00

REPORT: PACKAGE FISCAL IMPACT REPORT

2015-17

PROD FILE

AGENCY:52500 HIGHER EDUCATION COORD COMM

PICS SYSTEM: BUDGET PREPARATION

SUMMARY XREF:002-00-00 Degree Authorization/Private C

PACKAGE: 102 - DA/PCS: integrating program ap

POSITION NUMBER	CLASS COMP	CLASS NAME	POS CNT	PTE	MOS	STEP	RATE	GF SAL/OPE	OF SAL/OPE	FF SAL/OPE	LF SAL/OPE	AF SAL/OPE
5250038	MMN X2301 AA	EDUCATION PROGRAM SPECIALIST 2	1	1.00	24.00	02	6,046.00		145,104 64,653			145,104 64,653
TOTAL PICS SALARY									145,104			145,104
TOTAL PICS OPE									64,653			64,653
TOTAL PICS PERSONAL SERVICES =			1	1.00	24.00				209,757			209,757

ODA/PCS/VA: Detail of Other Funds and Federal Funds Revenue

HECC-ODA/PCS/VA VA/SAA (PCA 53501) Source	Fund	ORBITS Revenue Acct	2011-13	2013-15		2015-17		
			Actual	Legislatively Adopted	Estimated	Agency Request	Governor's Recommended	Legislatively Adopted
VA/SAA, U.S. Veterans Administration Contract	Federal			\$359,995	\$359,995	\$342,342	\$384,013	

DETAIL OF LOTTERY FUNDS, OTHER FUNDS, AND FEDERAL FUNDS REVENUE

Higher Education Coordinating Commission
2015-17 Biennium

Agency Number: 52500
Cross Reference Number: 52500-002-00-00-00000

<i>Source</i>	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
Other Funds						
Non-business Lic. and Fees	-	657,945	657,945	657,945	792,695	-
Charges for Services	-	858,000	858,000	858,000	1,352,800	-
Other Revenues	-	1,650	1,650	1,650	1,650	-
Transfer In - Intrafund	-	200,000	200,000	200,000	-	-
Tsfr To Comm Coll/Wkfrc Dev	-	-	(64,000)	-	-	-
Total Other Funds	-	\$1,717,595	\$1,653,595	\$1,717,595	\$2,147,145	-
Federal Funds						
Federal Funds	-	359,995	359,995	384,013	384,013	-
Total Federal Funds	-	\$359,995	\$359,995	\$384,013	\$384,013	-
Nonlimited Other Funds						
Other Revenues	-	69,000	69,000	69,000	69,000	-
Transfer Out - Intrafund	-	(200,000)	(200,000)	(200,000)	-	-
Total Nonlimited Other Funds	-	(\$131,000)	(\$131,000)	(\$131,000)	\$69,000	-

CCWD Operations: Description

The Department of Community Colleges and Workforce Development provides leadership, accountability, and technical assistance to Oregon's 17 community colleges; 18 adult basic skills providers; seven local workforce investment areas; and 36 county-based programs.. The majority of the Department's administration is within this Summary Cross Reference within the CCWD budget.

The 56 positions in Office Operations administer programs including State Support to Community Colleges, Title IB (WorkSource Oregon Centers) and Title II (Adult Basic Education and Family Literacy) of the Workforce Investment Act, the GED program, research, and financial operations. Funding comes from a combination of General, Federal, and Other Funds.

The 56 positions (55.7 FTE) in Office Operations staff five program areas:

- Operations Division – Accounting/Reporting, Administration of Community College Support Fund, Budget, Human Resources, Internal Audit, Procurement, Grant Management and Capital Bond Management
- Information Systems Division – Information Technology, Reporting, and Web
- Education Division – Community Colleges, Adult Basic Skills, GED, and Career/Technical Education
- Workforce Division – WIA Title IB (OWIB, LWIBs, One-Stop Career Centers/WorkSource Oregon Centers, Adult, Dislocated Worker, and Youth)
- Research and Communications Division – Research Analysis, Data Collection, Reporting, Compliance Accountability, Achievement Compacts, Key Performance Measures (KPMs), Longitudinal Data System

Goals:

- Provide leadership to prepare Oregonians for “middle skill” jobs.
- Provide technical assistance, program support and monitoring for Oregon's 15 workforce regions and 17 community colleges.
- Provide reliable and timely fiscal and administrative services for the department.

Services Provided:

- Leadership and resources for high-quality education and training services to help prepare Oregon's workers for well-paying middle-skill jobs in key economic sectors. Services include developing policies, guidance, advocacy strategies and performance metrics to achieve the desired outcomes for the “middle 40.”
- Program, Fiscal and Technical support for Community Colleges Services include the distribution of state funds, the approval of community college courses and programs, and the development, maintenance, data collection and reporting of the Oregon Community College Unified Reporting System (OCCURS). CCWD staff provide technical assistance to local community colleges on statewide initiatives, federal grant implementation, career and technical education programs, and review career and technical education programs for compliance with State Board of Education standards.
- General Fund revenues support most of the community college activities of the agency. Federal Carl Perkins funds from the U.S. Dept. of Education support career and technical education activities specifically. These funds are received as Other Funds from the Oregon Department of Education Office of Educational Improvement and Innovation. Perkins funds are restricted to career and technical education activities.

- CCWD staff also work closely with the Oregon universities to provide support for joint meetings and working groups of the Oregon Education Investment Board (OEIB), the Higher Education Coordinating Commission (HECC), the State Board of Education, and legislative mandated task forces. The joint work includes research and evidence based practices, ensuring maximum transferability of courses between public two- and four-year institutions, developing assessment, entrance and exit criteria, and working to provide a seamless system for students' postsecondary experience.
- Workforce Investment Act (WIA) Title IB
Services include compliance monitoring to reduce the risk of violating the complex federal guidelines that govern WIA programs. The local programs prepare youth and adults, facing serious barriers to employment, for participation in the labor force by providing job readiness and/or training and other services. The purpose of the WIA and its services are to increase employment and earnings, increase educational and occupational skills, and decrease welfare dependency, thereby improving the quality of the workforce and enhancing the productivity of the nation. WIA Title IB activities are supported by funds appropriated by the U.S. Department of Labor and can be spent only on these specific activities. However, five percent can be retained for CCWD Office Operations from the Title IB grant, excluding NEG funds. No match is required.
- A Workforce Investment Act (WIA) Title II
WIA Title II funds Adult Basic Skills (ABS) programs provided by community colleges and community-based organizations. CCWD staff provide leadership and technical assistance and staff development opportunities to local programs to ensure high quality adult education instruction. A key part of staff activity includes collaborating with partners such as the WIA Title IB providers, the Department of Human Services, the Employment Department, and the Department of Corrections to develop strategies for moving people into new and better jobs. Five percent of Title II funds are retained to pay administrative costs, and 12.5 percent are used for statewide adult education staff development and state leadership activities. The state grants 82.5 percent of funds to local providers. Each state must provide a non-federal contribution equal to 25 percent of the total amount of funds expended for adult education and literacy activities in the state.
- General Educational Development (GED)
GED is administered at the state level by 1.2 FTE within CCWD. Staff are supported from fees generated by those taking the GED battery of tests. More than 10,000 people each year finish the GED test and approximately 8,500 certificates are issued each year.
- Carl Perkins Career and Technical Education (CTE) Act
Administration and Leadership funds support programs based on state criteria, evaluation of programs, articulation and alignment, support for Accelerated Learning options, Leadership/technical assistance for CTE, nontraditional employment and training, and Programs of Study development and implementation. A General Fund one-to-one match is required for the federal Administration funding.
- Research
In this age of accountability, the need to have useable, understandable data available to stakeholders and policy makers is increasing. Senate Bill 1538 (2012) requires that governing bodies of educational entities, including community colleges, enter into achievement compacts annually with the Oregon Education Investment Board (OEIB). The CCWD Research and Communications Division has played a leadership role in the development of the outcomes metrics in the community college achievement compacts, and expects to continue to have a central role in collecting and analyzing achievement compact data in the future. Along with the achievement compacts, the CCWD Research and Communications Division annually collects data from community colleges to report on key performance measures (KPMs) in the Legislative Annual Performance Progress Report (APPR). The advent of a state longitudinal data system will make accessing the data necessary to complete

these, and other statutorily mandated reports, less cumbersome; however, the need remains of having skilled staff, such as the CCWD Research and Communications Division, to calculate, analyze and interpret the data.

- Procurement and Grants

Procurement and grant activities support the agency's mission by facilitating the distribution of funds to partners and vendors in a wide variety of strategic initiatives and specific projects serving Oregon's citizens in the areas of higher education and workforce development. The unit works with fiscal and program staff to develop, execute, and administer agreements to distribute \$582 million of special payments funds and \$8.2 million in professional services contracts. The Procurement and Grants Unit also directs the agency's efforts to meet directives of the Legislature and Governor's Office in the areas of ensuring open and fair competition, seeking partnering opportunities with women-owned, minority-owned and small emerging businesses, supporting sustainability, shepherding state financial resources, and pursuing federal and other grant opportunities.

- Capital Construction/Bond Management

CCWD issues capital construction bonds on behalf of community colleges. CCWD and DAS staff, with assistance from contracted monitoring firms, oversee the sale of bonds, execution of projects and payment to colleges as work progresses on the projects. In addition, CCWD pays the debt service on the bonds as debts come due. All of the administration is funded through the Office Operations Summary Cross Reference.

- Financial Systems

1.0 FTE perform the needed accounting, federal reporting and budgeting functions for CCWD's \$655 million operation.

- Internal Audit

The 2011 Legislature approved funding for an Internal Auditor position at the Oregon Department of Education (ODE) with the caveat that the auditor is devoted at least part time to do internal risk audit work for CCWD. The position was jointly managed between CCWD and ODE. With the governance of CCWD transitioning on July 1, 2014 from the State Board of Education to the Higher Education Coordinating Commission, this internal auditing capacity has been lost.

CCWD Operations: Essential and Policy Packages

Package 010: Vacancy Factor and Non-PICS Personal Services

The method for determining vacancy savings is provided by the Department of Administrative Services. CCWD's vacancy factor calculation decreased savings for CCWD from the 2013-15 Legislatively Approved Budget by \$19,527 General Fund, \$20,674 Other Funds, and \$93,051 Federal Funds.

Additional changes include:

1. Pension Bond contributions increased General Fund by \$1,778, decreased Other Funds by \$8,719, and increased Federal Funds by \$21,060.
2. Per DAS instructions, the cost of temporaries was increased by 3.00% or \$943 General Fund, \$2,733 Other Funds and \$502 Federal Funds.
3. Mass Transit costs decreased by \$1,904 General Fund and \$653 Other Funds.

Package 031: Standard Inflation and State Government Service Charges

Applying the standard inflation factors as provided by the Department of Administrative Services to Services and Supplies, and some Special Payments, results in an increase of \$ 479,685 General Fund, \$ 125,699 Other Funds and \$363,932 Federal Funds.

Package 032: Above Standard Inflation

Above standard inflation was applied to Professional Services and IT Professional Services for a total increase of \$6,610 General Fund, \$3,399 Other Funds and \$12,637 Federal Funds. Above standard inflation was also added to Other Services and Supplies, which increased General Fund by \$81,705, Other Funds by \$33,643 and Federal Funds by \$124,961 for expenditures. These expenditure were shifted out of State Government Service Charges as directed by the Department of Administrative Services.

Package 060: Technical Adjustments

HB 4018, which passed in the February 2014 Session, moves the Department of Community Colleges and Workforce Development into the Higher Education Coordinating Commission (HECC) effective July 1, 2015. In this package, the Department of Community Colleges and Workforce Development's budget was eliminated and moved into the HECC's budget. The Governor's Budget includes adjustments to DAS assessments and AG charges and a net-zero reallocation of the Central Government Service Charge and Secretary of State Audits Division charges that were made in the original CCWD agency budget. It is also adjusted to correct a \$4 PICS error. The amount of funding transferred is \$14,119,406 General Funds, \$4,052,533 Other Funds and \$14,021,501 Federal Funds.

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Higher Education Coordinating Commission
 Pkg: 010 - Non-PICS Psnl Svc / Vacancy Factor

Cross Reference Name: CCWD Office Operations
 Cross Reference Number: 52500-011-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Beginning Balance							
Beginning Balance	-	-	-	-	-	-	-
Total Beginning Balance	-	-	-	-	-	-	-
Revenues							
General Fund Appropriation	-	-	-	-	-	-	-
Charges for Services	-	-	-	-	-	-	-
Other Revenues	-	-	-	-	-	-	-
Federal Funds	-	-	-	-	-	-	-
Tsfr From HECC	-	-	-	-	-	-	-
Tsfr From Education, Dept of	-	-	-	-	-	-	-
Total Revenues	-	-	-	-	-	-	-
Ending Balance							
Ending Balance	-	-	-	-	-	-	-
Total Ending Balance	-	-	-	-	-	-	-

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Higher Education Coordinating Commission
Pkg: 060 - Technical Adjustments

Cross Reference Name: CCWD Office Operations
Cross Reference Number: 52500-011-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Beginning Balance							
Beginning Balance	-	-	441,396	-	-	-	441,396
Total Beginning Balance	-	-	\$441,396	-	-	-	\$441,396
Revenues							
General Fund Appropriation	14,119,406	-	-	-	-	-	14,119,406
Charges for Services	-	-	795,480	-	-	-	795,480
Other Revenues	-	-	1,622,463	-	-	-	1,622,463
Federal Funds	-	-	-	14,021,501	-	-	14,021,501
Tsfr From Dept Post-Secondary Education	-	-	-	-	-	-	-
Tsfr From HECC	-	-	-	-	-	-	-
Tsfr From Education, Dept of	-	-	1,634,590	-	-	-	1,634,590
Total Revenues	\$14,119,406	-	\$4,052,533	\$14,021,501	-	-	\$32,193,440
Transfers Out							
Tsfr To Governor, Office of the	-	-	-	(270,000)	-	-	(270,000)
Total Transfers Out	-	-	-	(\$270,000)	-	-	(\$270,000)
Personal Services							
Class/Unclass Sal. and Per Diem	971,065	-	637,773	4,443,410	-	-	6,052,248
Temporary Appointments	32,390	-	93,834	17,229	-	-	143,453
Overtime Payments	-	-	-	2,570	-	-	2,570
Empl. Rel. Bd. Assessments	335	-	235	1,366	-	-	1,936
Public Employees' Retire Cont	153,332	-	100,706	702,023	-	-	956,061
Pension Obligation Bond	87,282	-	52,782	326,032	-	-	466,096

____ Agency Request
2015-17 Biennium

____ Governor's Budget
Page _____

____ Legislatively Adopted
Essential and Policy Package Fiscal Impact Summary - BPR013

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

**Higher Education Coordinating Commission
Pkg: 060 - Technical Adjustments**

**Cross Reference Name: CCWD Office Operations
Cross Reference Number: 52500-011-00-00-00000**

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Personal Services							
Social Security Taxes	76,762	-	55,971	341,440	-	-	474,173
Worker's Comp. Assess. (WCD)	526	-	368	2,142	-	-	3,036
Mass Transit Tax	8,656	-	5,680	-	-	-	14,336
Flexible Benefits	234,454	-	161,800	946,978	-	-	1,343,232
Vacancy Savings	(6,376)	-	(6,029)	(22,847)	-	-	(35,252)
Reconciliation Adjustment	616,973	-	300,599	1,179,841	-	-	2,097,413
Total Personal Services	\$2,175,399	-	\$1,403,719	\$7,940,184	-	-	\$11,519,302

Services & Supplies

Instate Travel	57,993	-	75,446	106,472	-	-	239,911
Out of State Travel	10,789	-	50,433	124,600	-	-	185,822
Employee Training	18,367	-	26,276	47,391	-	-	92,034
Office Expenses	75,556	-	122,732	100,406	-	-	298,694
Telecommunications	54,043	-	32,242	73,660	-	-	159,945
State Gov. Service Charges	273,331	-	115,369	428,398	-	-	817,098
Data Processing	4,336	-	1,592	3,391	-	-	9,319
Publidity and Publications	8,762	-	36,567	13,501	-	-	58,830
Professional Services	2,275,441	-	1,026,710	4,207,622	-	-	7,509,773
IT Professional Services	541	-	143,526	208,201	-	-	352,268
Attorney General	62,824	-	22,168	20,161	-	-	105,153
Employee Recruitment and Develop	664	-	-	1,197	-	-	1,861
Dues and Subscriptions	10,855	-	8,519	42,778	-	-	62,152
Facilities Rental and Taxes	31,208	-	51,545	225,557	-	-	308,310
Agency Program Related S and S	8,889	-	434	9,261	-	-	18,584
Other Services and Supplies	121,642	-	312,141	177,465	-	-	611,248

____ Agency Request
2015-17 Biennium

____ Governor's Budget
Page _____

____ Legislatively Adopted
Essential and Policy Package Fiscal Impact Summary - BPR013

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Higher Education Coordinating Commission
Pkg: 060 - Technical Adjustments

Cross Reference Name: CCWD Office Operations
Cross Reference Number: 52500-011-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Services & Supplies							
Expendable Prop 250 - 5000	3,676	-	12,649	-	-	-	16,325
IT Expendable Property	13,177	-	473	21,256	-	-	34,906
Total Services & Supplies	\$3,032,094	-	\$2,038,822	\$5,811,317	-	-	\$10,882,233
Special Payments							
Dist to Non-Gov Units	8,190,913	-	-	-	-	-	8,190,913
Dist to Comm College Districts	-	-	652,602	-	-	-	652,602
Spc Pmt to Education, Dept of	721,000	-	-	-	-	-	721,000
Total Special Payments	\$8,911,913	-	\$652,602	-	-	-	\$9,564,515
Total Expenditures							
Total Expenditures	14,119,406	-	4,095,143	13,751,501	-	-	31,966,050
Total Expenditures	\$14,119,406	-	\$4,095,143	\$13,751,501	-	-	\$31,966,050
Ending Balance							
Ending Balance	-	-	398,786	-	-	-	398,786
Total Ending Balance	-	-	\$398,786	-	-	-	\$398,786
Total Positions							
Total Positions	-	-	-	-	-	-	53
Total Positions	-	-	-	-	-	-	53

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Higher Education Coordinating Commission
 Pkg: 060 - Technical Adjustments

Cross Reference Name: CCWD Office Operations
 Cross Reference Number: 52500-011-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Total FTE							
Total FTE							52.70
Total FTE	-	-	-	-	-	-	52.70

PACKAGE: 060 - Technical Adjustments

POSITION NUMBER	CLASS COMP	CLASS NAME	POS CNT	FTE	MOS	STEP	RATE	GF SAL/OPE	OF SAL/OPE	FF SAL/OPE	LF SAL/OPE	AF SAL/OPE
5860001	MEAHZ7014 HA	PRINCIPAL EXECUTIVE/MANAGER	H 1	1.00	24.00	03	8,619.00	82,742 31,649	41,372 15,827	82,742 31,652		206,856 79,128
5860004	MMS X7008 EA	PRINCIPAL EXECUTIVE/MANAGER	E 1	1.00	24.00	06	7,701.00		73,930 29,587	110,894 44,377		184,824 73,964
5860005	MMS X7008 EA	PRINCIPAL EXECUTIVE/MANAGER	E 1	1.00	24.00	09	8,910.00			213,840 80,765		213,840 80,765
5860007	MMS X7008 IA	PRINCIPAL EXECUTIVE/MANAGER	E 1	1.00	24.00	09	9,354.00			224,496 83,263		224,496 83,263
5860008	MMS X7006 AA	PRINCIPAL EXECUTIVE/MANAGER	D 1	1.00	24.00	07	6,663.00	15,991 6,812		143,921 61,312		159,912 68,124
5860010	OA C1487 IA	INFO SYSTEMS SPECIALIST 7	1	1.00	24.00	09	7,197.00	8,636 3,556		164,092 67,573		172,728 71,129
5860011	OA C2301 AA	EDUCATION PROGRAM SPECIALIST 2	1	.70	16.80	04	6,080.00		102,144 54,583			102,144 54,583
5860012	OA C2301 AA	EDUCATION PROGRAM SPECIALIST 2	1	1.00	24.00	04	6,080.00		102,144 45,392	43,776 19,453		145,920 64,845
5860013	OA C0862 AA	PROGRAM ANALYST 3	1	1.00	24.00	09	6,380.00			153,120 66,533		153,120 66,533
5860016	OA C0436 AA	PROCUREMENT & CONTRACT SPEC 1	1	1.00	24.00	03	3,607.00	29,433 17,317		57,135 33,616		86,568 50,933
5860019	OA C2301 AA	EDUCATION PROGRAM SPECIALIST 2	1	1.00	24.00	08	7,358.00	88,296 36,016		88,296 36,018		176,592 72,034
5860020	OA C0212 AA	ACCOUNTING TECHNICIAN 3	1	1.00	24.00	09	3,974.00	19,075 10,599	9,538 5,300	66,763 37,098		95,376 52,997
5860021	OA C0862 AA	PROGRAM ANALYST 3	1	1.00	24.00	09	6,380.00			153,120 66,533		153,120 66,533
5860022	OA C0108 AA	ADMINISTRATIVE SPECIALIST 2	1	1.00	24.00	09	3,974.00			95,376 52,997		95,376 52,997
5860023	MENNZ0119 AA	EXECUTIVE SUPPORT SPECIALIST 2	1	1.00	24.00	08	4,111.00	38,479 20,969	19,733 10,755	40,452 22,044		98,664 53,768
5860024	OA C0104 AA	OFFICE SPECIALIST 2	1	1.00	24.00	09	3,290.00			78,960 49,150		78,960 49,150

02/03/15 REPORT NO.: PPDPFISCAL
 REPORT: PACKAGE FISCAL IMPACT REPORT
 AGENCY:52500 HIGHER EDUCATION COORD COMM
 SUMMARY XREF:011-00-00 CCWD Office Operations

DEPT. OF ADMIN. SVCS. -- PPDB PICS SYSTEM

2015-17
 PICS SYSTEM: BUDGET PREPARATION

PAGE 6
 PRGD FILE

PACKAGE: 060 - Technical Adjustments

POSITION NUMBER	CLASS COMP	CLASS NAME	POS CNT	FTE	MOS	STEP	RATE	GF SAL/OPE	OF SAL/OPE	FF SAL/OPE	LF SAL/OPE	AF SAL/OPE
5860026	OA C0872	AA OPERATIONS & POLICY ANALYST 3	1	1.00	24.00	09	6,691.00	8,029 3,413		152,555 64,869		160,504 68,282
5860027	OA C2301	AA EDUCATION PROGRAM SPECIALIST 2	1	1.00	24.00	05	6,380.00	91,872 39,919	61,248 26,614			153,120 66,533
5860028	OA C1487	IA INFO SYSTEMS SPECIALIST 7	1	1.00	24.00	09	7,197.00	8,636 3,556		164,092 67,573		172,728 71,129
5860029	OA C1216	AA ACCOUNTANT 2	1	1.00	24.00	04	3,781.00		27,223 15,573	53,521 36,338		90,744 51,911
5860030	OA C1216	AA ACCOUNTANT 2	1	1.00	24.00	09	4,791.00			114,984 57,593		114,984 57,593
5860032	OA C1487	IA INFO SYSTEMS SPECIALIST 7	1	1.00	24.00	09	7,197.00			172,728 71,129		172,728 71,129
5860033	OA C0862	AA PROGRAM ANALYST 3	1	1.00	24.00	09	6,380.00			153,120 66,533		153,120 66,533
5860034	OA C2301	AA EDUCATION PROGRAM SPECIALIST 2	1	1.00	24.00	09	7,721.00			185,304 74,077		185,304 74,077
5860035	OA C2301	AA EDUCATION PROGRAM SPECIALIST 2	1	1.00	24.00	09	7,721.00			185,304 74,077		185,304 74,077
5860036	OA C0862	AA PROGRAM ANALYST 3	1	1.00	24.00	09	6,380.00			153,120 66,533		153,120 66,533
5860037	OA C0107	AA ADMINISTRATIVE SPECIALIST 1	1	1.00	24.00	09	3,607.00			86,568 50,933		86,568 50,933
5860038	OA C2301	AA EDUCATION PROGRAM SPECIALIST 2	1	1.00	24.00	08	7,358.00	88,296 36,016	88,296 36,016			176,592 72,034
5860039	OA C0862	AA PROGRAM ANALYST 3	1	1.00	24.00	08	6,080.00			145,920 64,845		145,920 64,845
5860040	MMN X0873	AA OPERATIONS & POLICY ANALYST 4	1	1.00	24.00	08	7,701.00			184,824 73,964		184,824 73,964
5860041	OA C1118	AA RESEARCH ANALYST 4	1	1.00	24.00	09	6,691.00	120,438 51,212		40,146 17,070		160,584 68,282
5860042	OA C0862	AA PROGRAM ANALYST 3	1	1.00	24.00	06	5,529.00			132,696 61,745		132,696 61,745

02/03/15 REPORT NO.: PDPFISCAL
 REPORT: PACKAGE FISCAL IMPACT REPORT
 AGENCY:52500 HIGHER EDUCATION COORD COMM
 SUMMARY XREF:011-00-00 CCWD Office Operations

DEPT. OF ADMIN. SVCS. -- PPDB PICS SYSTEM

2015-17
 PICS SYSTEM: BUDGET PREPARATION

PAGE 7
 PROD FILE

PACKAGE: 060 - Technical Adjustments

POSITION NUMBER CLASS COMP CLASS NAME	POS CNT	FTE	MOS	STEP	RATE	GF SAL/OPE	OF SAL/OPE	FF SAL/OPE	LF SAL/OPE	AF SAL/OPE
5860043 OA C0104 AA OFFICE SPECIALIST 2	1	1.00	24.00	09	3,290.00		75,012 46,694	3,948 2,456		78,960 49,150
5860045 MMN X0873 AA OPERATIONS & POLICY ANALYST 4	1	1.00	24.00	05	6,663.00			159,912 68,124		159,912 68,124
5860047 OA C0862 AA PROGRAM ANALYST 3	1	1.00	24.00	09	6,380.00			153,120 66,533		153,120 66,533
5860048 MENNZ0119 AA EXECUTIVE SUPPORT SPECIALIST 2	1	1.00	24.00	08	4,111.00	49,332 26,883	9,866 5,377	39,466 21,508		98,664 53,768
5860049 OA C1217 AA ACCOUNTANT 3	1	1.00	24.00	02	4,161.00	9,986 5,405		89,878 48,644		99,864 54,049
5860050 OA C0108 AA ADMINISTRATIVE SPECIALIST 2	1	1.00	24.00	02	2,873.00	68,952 46,804				68,952 46,804
5860051 OA C0119 AA EXECUTIVE SUPPORT SPECIALIST 2	1	1.00	24.00	02	2,873.00			68,952 46,804		68,952 46,804
5860052 OA C1487 IA INFO SYSTEMS SPECIALIST 7	1	1.00	24.00	02	5,218.00	106,447 50,996	6,262 3,000	12,523 5,999		125,232 59,995
5860053 MENNZ0873 AA OPERATIONS & POLICY ANALYST 4	1	1.00	24.00	02	5,764.00			138,336 63,067		138,336 63,067
5860054 OA C0103 AA OFFICE SPECIALIST 1	1	1.00	24.00	02	2,188.00	15,753 12,883	21,005 17,182	15,754 12,885		52,512 42,950
5860055 OA C0862 AA PROGRAM ANALYST 3	1	1.00	24.00	02	4,569.00			109,656 56,345		109,656 56,345
5860056 OA C0863 AA PROGRAM ANALYST 4	1	1.00	24.00	02	5,028.00	120,672 58,926				120,672 58,926
TOTAL PICS SALARY						971,065	637,773	4,443,410		6,052,248
TOTAL PICS OPE						462,931	311,902	1,992,028		2,766,861
TOTAL PICS PERSONAL SERVICES =	44	43.70	1048.80			1,433,996	949,675	6,435,438		8,819,109

POLICY PACKAGE 090
2015-17 Budget
Analyst Adjustments

PURPOSE

This package shifts the focus of the Deputy Director entirely on workforce activities.

HOW ACHIEVED

The funding is shifted from General Fund to Federal Funds.

STAFFING IMPACT

There will be no anticipated staffing impacts at the HECC.

REVENUE SOURCE

(\$146,470) General Fund

\$146,470 Federal Fund

GOVERNOR'S RECOMMENDED BUDGET

Recommended as added in the Governor's Recommended Budget.

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Higher Education Coordinating Commission
 Pkg: 090 - Analyst Adjustments

Cross Reference Name: CCWD Office Operations
 Cross Reference Number: 52500-011-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
General Fund Appropriation	(146,470)	-	-	-	-	-	(146,470)
Federal Funds	-	-	-	146,470	-	-	146,470
Total Revenues	(\$146,470)	-	-	\$146,470	-	-	-
Personal Services							
Class/Unclass Sal. and Per Diem	-	-	51,950	207,802	-	-	259,752
Empl. Rel. Bd. Assessments	-	-	9	35	-	-	44
Public Employees' Retire Cont	-	-	8,203	32,812	-	-	41,015
Social Security Taxes	-	-	3,837	15,349	-	-	19,186
Worker's Comp. Assess. (WCD)	-	-	14	55	-	-	69
Flexible Benefits	-	-	6,106	24,422	-	-	30,528
Reconciliation Adjustment	(146,470)	-	(70,119)	(134,005)	-	-	(350,594)
Total Personal Services	(\$146,470)	-	-	\$146,470	-	-	-
Total Expenditures							
Total Expenditures	(146,470)	-	-	146,470	-	-	-
Total Expenditures	(\$146,470)	-	-	\$146,470	-	-	-
Ending Balance							
Ending Balance	-	-	-	-	-	-	-
Total Ending Balance	-	-	-	-	-	-	-

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Higher Education Coordinating Commission
 Pkg: 090 - Analyst Adjustments

Cross Reference Name: CCWD Office Operations
 Cross Reference Number: 52500-011-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Total Positions							
Total Positions							-
Total Positions	-	-	-	-	-	-	-
Total FTE							
Total FTE							-
Total FTE	-	-	-	-	-	-	-

02/03/15 REPORT NO.: PDPFFISCAL
 REPORT: PACKAGE FISCAL IMPACT REPORT
 AGENCY:52500 HIGHER EDUCATION COORD COMM
 SUMMARY XREF:011-00-00 CCWD Office Operations

DEPT. OF ADMIN. SVCS. -- PPDB PICS SYSTEM

2015-17
 PICS SYSTEM: BUDGET PREPARATION
 PAGE 8
 PRGD FILE

PACKAGE: 090 - Analyst Adjustments

POSITION NUMBER	CLASS COMP	CLASS NAME	POS CNT	FTE	MOS	STEP	RATE	GF SAL/OPE	OF SAL/OPE	FF SAL/OPE	LF SAL/OPE	AF SAL/OPE
5860002	MESNZ7012 EA	PRINCIPAL EXECUTIVE/MANAGER G	1	1.00	24.00	09	10,823.00		51,950 18,169	207,802 72,673		259,752 90,842
TOTAL PICS SALARY									51,950	207,802		259,752
TOTAL PICS OPE									18,169	72,673		90,842
TOTAL PICS PERSONAL SERVICES =			1	1.00	24.00				70,119	280,475		350,594

POLICY PACKAGE 202
2015-2017 Budget
Oregon Employer Workforce Training Program

PURPOSE

Revitalizing and invigorating the Oregon economy is a high priority. To facilitate economic growth and prosperity 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.

The availability of skilled labor is a key factor in business location, retention and expansion. Responsive workforce education and development to match the specific skill sets required by businesses is crucial to the state's economic development and to manage major technological and structural changes in the economy.

"Middle-skill jobs", which require more than a high school diploma but less than a four-year degree, currently make up 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 skill sets 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.

Available data and anecdotal evidence suggests that previous project funding has been used to increase the technical skills of incumbent workers in knowledge based industries such as bioscience technology, nursing, high performance manufacturing and green technology. Projects have focused on improving the skills and retaining the jobs of incumbent workers, improved relationships between workforce development, economic development and business communities, and has increased attention to strategic investments in training within firms, industry consortia, and state and local workforce development agencies.

Analysis of wage and employment records suggest that trainees were on average more likely to have earnings during each quarter in the two years following the reported training start date, relative to the two years prior. Analysis of Unemployment Insurance wage data also identified significantly higher earnings during the same post-training period, relative to the two years prior. Trainee quarterly earnings were on average higher. Calculations of total return on project investments suggest returns of about 6% during the first year after training for employees and 19% for employers (based on planned employer match amounts).

HOW ACHIEVED

The Department of Community Colleges and Workforce Development shall operate the Oregon Employer Workforce Training Program. Local workforce investment boards shall manage the program for the purpose of assisting businesses and consortia of businesses in implementing projects that identify and provide cost-effective solutions to the issues of employee training, retention and advancement, maximizing the utilization of public and private resources for providing training to employed persons in skills that are responsive to the needs of businesses and industries in Oregon to become and to remain competitive on the national and international level, and responding to the need of workers in Oregon to develop current job skills necessary to meet the current and future needs of employers.

Businesses in industries identified in the plans developed by local workforce investment boards as required by ORS 660.327 are eligible to participate in projects selected for participation in the program. Priority for approval of projects submitted shall be given to businesses in industries that have the greatest impact on the local economy. Local workforce investment boards shall identify businesses and consortia of businesses for potential participation in the program

The department shall adopt rules necessary for the implementation and operation of the program, and the rules shall including a process by which moneys may be appropriated and allocated to the local workforce investment boards to support projects identified by the local workforce investment boards.

Funds will be used to create and retain living wage jobs in Oregon, build a highly skilled workforce, especially in knowledge-based industries; and enhance the global competitiveness of Oregon businesses based on the skill of their workforce.

STAFFING IMPACT

1 FTE, Project Manager 3

1 FTE, Administrative Specialist 2

Quantifying Results

The Employer Workforce Training Program advances the mission of the Department of Community Colleges and Workforce Development by contributing to increased skills and career opportunities for Oregonians.

The Employer Workforce Training Program package supports CCWD Key Performance Measures (KPM):

KPM #6: Current/Incumbent Worker Employment

Complete records of training projects including numbers of workers trained and number of companies will be reported

Revenue Source

\$6,000,000 General Fund

GOVERNOR'S RECOMMENDED BUDGET

Recommended as modified.

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Higher Education Coordinating Commission
 Pkg: 202 - CCWD Incumbent Worker Training

Cross Reference Name: CCWD Office Operations
 Cross Reference Number: 52500-011-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
General Fund Appropriation	6,000,000	-	-	-	-	-	6,000,000
Total Revenues	\$6,000,000	-	-	-	-	-	\$6,000,000
Personal Services							
Class/Unclass Sal. and Per Diem	189,624	-	-	-	-	-	189,624
Empl. Rel. Bd. Assessments	88	-	-	-	-	-	88
Public Employees' Retire Cont	29,942	-	-	-	-	-	29,942
Social Security Taxes	14,506	-	-	-	-	-	14,506
Worker's Comp. Assess. (WCD)	138	-	-	-	-	-	138
Mass Transit Tax	1,138	-	-	-	-	-	1,138
Flexible Benefits	61,056	-	-	-	-	-	61,056
Total Personal Services	\$296,492	-	-	-	-	-	\$296,492
Services & Supplies							
Instate Travel	16,308	-	-	-	-	-	16,308
Employee Training	4,996	-	-	-	-	-	4,996
Office Expenses	14,400	-	-	-	-	-	14,400
Telecommunications	12,090	-	-	-	-	-	12,090
State Gov. Service Charges	-	-	-	-	-	-	-
Data Processing	4,082	-	-	-	-	-	4,082
Publicity and Publications	3,000	-	-	-	-	-	3,000
Attorney General	3,000	-	-	-	-	-	3,000
Employee Recruitment and Develop	618	-	-	-	-	-	618
Dues and Subscriptions	3,721	-	-	-	-	-	3,721

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Higher Education Coordinating Commission
 Pkg: 202 - CCWD Incumbent Worker Training

Cross Reference Name: CCWD Office Operations
 Cross Reference Number: 52500-011-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Services & Supplies							
Facilities Rental and Taxes	14,369	-	-	-	-	-	14,369
Agency Program Related S and S	4,200	-	-	-	-	-	4,200
Other Services and Supplies	6,173	-	-	-	-	-	6,173
Expendable Prop 250 - 5000	4,532	-	-	-	-	-	4,532
Total Services & Supplies	\$91,489	-	-	-	-	-	\$91,489
Special Payments							
Dist to Non-Gov Units	5,612,019	-	-	-	-	-	5,612,019
Total Special Payments	\$5,612,019	-	-	-	-	-	\$5,612,019
Total Expenditures							
Total Expenditures	6,000,000	-	-	-	-	-	6,000,000
Total Expenditures	\$6,000,000	-	-	-	-	-	\$6,000,000
Ending Balance							
Ending Balance	-	-	-	-	-	-	-
Total Ending Balance	-	-	-	-	-	-	-
Total Positions							
Total Positions	-	-	-	-	-	-	2
Total Positions	-	-	-	-	-	-	2

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Higher Education Coordinating Commission
 Pkg: 202 - CCWD Incumbent Worker Training

Cross Reference Name: CCWD Office Operations
 Cross Reference Number: 52500-011-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Total FTE							
Total FTE							2.00
Total FTE	-	-	-	-	-	-	2.00

02/03/15 REPORT NO.: PPDFISCAL
 REPORT: PACKAGE FISCAL IMPACT REPORT
 AGENCY:52500 HIGHER EDUCATION COORD COMM
 SUMMARY XREF:011-00-00 CCWD Office Operations

DEPT. OF ADMIN. SVCS. -- PPDB PICS SYSTEM

2015-17
 PICS SYSTEM: BUDGET PREPARATION

PAGE 9
 PROD FILE

PACKAGE: 202 - CCWD Incumbent Worker Training

POSITION			POS					GF	OF	FF	LF	AF	
NUMBER	CLASS	COMP	CLASS NAME	CNT	FTE	MOS	STEP	RATE	SAL/OPE	SAL/OPE	SAL/OPE	SAL/OPE	SAL/OPE
5860061	OA	C0856	AA PROJECT MANAGER 3	1	1.00	24.00	02	5,028.00	120,672				120,672
									58,926				58,926
5860062	OA	C0108	AA ADMINISTRATIVE SPECIALIST 2	1	1.00	24.00	03	2,873.00	68,952				68,952
									46,804				46,804
TOTAL PICS SALARY									189,624				189,624
TOTAL PICS OPE									105,730				105,730
TOTAL PICS PERSONAL SERVICES =				2	2.00	48.00			295,354				295,354

POLICY PACKAGE 203
2015-17 Budget
Restructuring On-going Workforce Initiatives

PURPOSE

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

The full \$10.9 million General Fund is included in the Shift of Employment Department Special Employment Department Administration Fund (SEDAF) revenues to the General Fund.

HOW ACHIEVED

The package shifts \$100,000 from Professional Services to Special Payments.

STAFFING IMPACT

None.

REVENUE SOURCE

No change in the Governor's Recommended Budget.

GOVERNOR'S RECOMMENDED BUDGET

Recommended as added in the Governor's Recommended Budget.

POLICY PACKAGE 301
2015-2017 Budget
HECC Management Streamlining and Organizational Needs

PURPOSE

The combining of the Office of Student Access and Completion (OSAC), the Department of Community Colleges and Workforce Development (CCWD), and the Higher Education Coordinating Commission (HECC) into one mid-size agency creates the opportunity (where practical) to co-locate and bring services in-house. This also allows for the more efficient use of resources in both the administration and program areas. 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.

HOW ACHIEVED

Currently, HECC, CCWD, and OSAC all contract for HR and some Payroll services through DAS. OSAC and HECC contract for Accounting services and HECC contracts for Budget and IT services. Internal audit resources are very limited in the current structure (OSAC contracts for limited services) and CCWD lost their shared service with the Department of Education on July 1, 2014. This package moves and combines CCWD's Budget, Accounting, Payroll, Procurement and IT with OSAC's Budget, Accounting, IT, and Internal Audit funding into a single division in HECC. This provides the synergy for adequate budget, accounting, payroll, procurement, and IT across the entire enterprise. The savings from no longer contracting HR services allows for the creation of an HR professional in house and will provide a more consistent and timely addressing of HR issues and needs. IT services are currently stretched (and incomplete in some areas) in each organization and this will allow for a central full service IT section with proper backup. Currently CCWD is the only entity of the three that has procurement staff and this will allow for the entire enterprise to have dedicated procurement staff. Funds are also repurposed from DAS charges to additional resource for Internal Audit contracting.

STAFFING IMPACT

There will be no anticipated staffing impacts to CCWD; FTE is increased in the HECC Operation SCR.

QUANTIFYING RESULTS

This package will primarily address administrative needs within the enterprise. Success will be measured by administrative efficiency and effectiveness. Areas measured: timely and appropriate HR actions, effective accounting and budget activities with success measured by the CAFR audit and effective and timely budget information provided to decision makers, IT success will be measured by percent up time on IT systems, availability of help desk support, and computer availability to staff when needed.

The enterprise will develop the standards for each area of measurement early in the 2015-17 biennium as the three separate entities merge.

REVENUE SOURCE

(\$73,958) General Fund

(\$113,112) Federal Funds

GOVERNOR'S RECOMMENDED BUDGET

Recommended.

Reduces the Services & Supplies General Fund budget by \$73,958, Other Funds budget by \$30,453 and Federal Funds budget by \$113,112.

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Higher Education Coordinating Commission
 Pkg: 203 - Restructuring On-going Workforce Initiatives

Cross Reference Name: CCWD Office Operations
 Cross Reference Number: 52500-011-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
General Fund Appropriation	-	-	-	-	-	-	-
Total Revenues	-	-	-	-	-	-	-
Services & Supplies							
Professional Services	(100,000)	-	-	-	-	-	(100,000)
Total Services & Supplies	(\$100,000)	-	-	-	-	-	(\$100,000)
Special Payments							
Dist to Non-Gov Units	100,000	-	-	-	-	-	100,000
Total Special Payments	\$100,000	-	-	-	-	-	\$100,000
Total Expenditures							
Total Expenditures	-	-	-	-	-	-	-
Total Expenditures	-	-	-	-	-	-	-
Ending Balance							
Ending Balance	-	-	-	-	-	-	-
Total Ending Balance	-	-	-	-	-	-	-

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Higher Education Coordinating Commission
 Pkg: 301 - HECC management streamlining and organizational needs

Cross Reference Name: CCWD Office Operations
 Cross Reference Number: 52500-011-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
General Fund Appropriation	(73,958)	-	-	-	-	-	(73,958)
Other Revenues	-	-	-	-	-	-	-
Federal Funds	-	-	-	(113,112)	-	-	(113,112)
Total Revenues	(\$73,958)	-	-	(\$113,112)	-	-	(\$187,070)
Transfers Out							
Transfer Out - Intrafund	-	-	-	-	-	-	-
Total Transfers Out	-	-	-	-	-	-	-
Services & Supplies							
Other Services and Supplies	(73,958)	-	(30,453)	(113,112)	-	-	(217,523)
Total Services & Supplies	(\$73,958)	-	(\$30,453)	(\$113,112)	-	-	(\$217,523)
Total Expenditures							
Total Expenditures	(73,958)	-	(30,453)	(113,112)	-	-	(217,523)
Total Expenditures	(\$73,958)	-	(\$30,453)	(\$113,112)	-	-	(\$217,523)
Ending Balance							
Ending Balance	-	-	30,453	-	-	-	30,453
Total Ending Balance	-	-	\$30,453	-	-	-	\$30,453

POLICY PACKAGE 311
2015-17 Budget
CCWD Work Reconciliation

PURPOSE

Over the last few biennia, the mix of work and the programs that have a greater focus have changed in CCWD. 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 shifted more focus to the 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 found that it was doing over 13 FTE of General Fund work. As a result, the department asked for a General Fund appropriation in the February 2014 Session to reflect this change. The legislature funded the department for 2013-15 and directed the agency to work on a permanent solution for 2015-17. This mix of work will continue forward into the future and this package reflects this reality by increasing the General Fund ratio to 13 FTE of 58.70 total FTE instead of the current 8.65 FTE of 58.70 FTE.

HOW ACHIEVED

The department reviewed actual time charges for work being performed and determined that approximately 8 positions needed to have their funding splits adjusted. These positions are in the areas of Research, Administration, Budget, and Accounting. This package makes adjustments to these positions to bring the funding in line with the ongoing work performed.

STAFFING IMPACT

None.

QUANTIFYING RESULTS

The department will continue to monitor time sheets and insure that personnel are accurately charging their time to the work being performed. The federal government periodically audits programs to insure compliance with federal regulations and appropriate charging to federal programs. Department will comply with federal regulations and directives.

REVENUE SOURCE

\$1,067,257 General Fund
(\$72,674) Other Funds
(\$994,583) Federal Funds

GOVERNOR'S RECOMMENDED BUDGET

Recommended as modified.

This package is restored at \$963,679 General Fund, (\$54,431) Other Funds, and (\$909,248) Federal Funds. It is identical to the Agency Request with the exception that position 5860003 is budgeted at step 2, as it was vacated after Agency Request.

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Higher Education Coordinating Commission
Pkg: 311 - CWD Work Reconciliation

Cross Reference Name: CCWD Office Operations
Cross Reference Number: 52500-011-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
General Fund Appropriation	963,679	-	-	-	-	-	963,679
Other Revenues	-	-	-	-	-	-	-
Federal Funds	-	-	-	(909,248)	-	-	(909,248)
Total Revenues	\$963,679	-	-	(\$909,248)	-	-	\$54,431
Personal Services							
Class/Unclass Sal. and Per Diem	993,420	-	110,007	71,949	-	-	1,175,376
Empl. Rel. Bd. Assessments	298	-	33	21	-	-	352
Public Employees' Retire Cont	156,861	-	17,370	11,361	-	-	185,592
Social Security Taxes	75,994	-	8,417	5,504	-	-	89,915
Worker's Comp. Assess. (WCD)	469	-	50	33	-	-	552
Flexible Benefits	208,199	-	21,676	14,349	-	-	244,224
Other OPE	-	-	-	-	-	-	-
Reconciliation Adjustment	(471,562)	-	(211,984)	(1,012,465)	-	-	(1,696,011)
Total Personal Services	\$963,679	-	(\$54,431)	(\$909,248)	-	-	-
Total Expenditures							
Total Expenditures	963,679	-	(54,431)	(909,248)	-	-	-
Total Expenditures	\$963,679	-	(\$54,431)	(\$909,248)	-	-	-
Ending Balance							
Ending Balance	-	-	54,431	-	-	-	54,431
Total Ending Balance	-	-	\$54,431	-	-	-	\$54,431

____ Agency Request
2015-17 Biennium

____ Governor's Budget
Page _____

____ Legislatively Adopted
Essential and Policy Package Fiscal Impact Summary - BPR013

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Higher Education Coordinating Commission
 Pkg: 311 - CWD Work Reconciliation

Cross Reference Name: CCWD Office Operations
 Cross Reference Number: 52500-011-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Total Positions							
Total Positions							-
Total Positions	-	-	-	-	-	-	-
Total FTE							
Total FTE							-
Total FTE	-	-	-	-	-	-	-

02/03/15 REPORT NO.: PPDFISCAL
 REPORT: PACKAGE FISCAL IMPACT REPORT
 AGENCY:52500 HIGHER EDUCATION COORD COMM
 SUMMARY XREF:011-00-00 CCWD Office Operations

DEPT. OF ADMIN. SVCS. -- PPDB PICS SYSTEM

2015-17
 PICS SYSTEM: BUDGET PREPARATION

PAGE 10
 PROD FILE

PACKAGE: 311 - CWD Work Reconciliation

POSITION NUMBER CLASS COMP CLASS NAME	POS CNT	FTE	MOS	STEP	RATE	GF SAL/OPE	OF SAL/OPE	FF SAL/OPE	LF SAL/OPE	AF SAL/OPE
5860003 MMS X7008 EA PRINCIPAL EXECUTIVE/MANAGER E	1	1.00	24.00	02	6,371.00	136,085 59,167	13,761 5,985	3,058 1,330		152,904 66,482
5860009 MMS X7010 AA PRINCIPAL EXECUTIVE/MANAGER F	1	1.00	24.00	09	8,917.00	154,086 58,179	32,101 12,121	27,821 10,505		214,008 80,805
5860014 OA C1243 AA FISCAL ANALYST 1	1	1.00	24.00	09	4,791.00	80,489 40,314	14,948 7,488	19,547 9,791		114,984 57,593
5860015 OA C1485 IA INFO SYSTEMS SPECIALIST 5	1	1.00	24.00	09	6,077.00	134,180 59,640		11,668 5,187		145,848 64,827
5860025 OA C0108 AA ADMINISTRATIVE SPECIALIST 2	1	1.00	24.00	09	3,974.00	91,560 50,876	1,908 1,061	1,908 1,060		95,376 52,997
5860031 OA C0862 AA PROGRAM ANALYST 3	1	1.00	24.00	07	5,802.00	118,361 53,788	20,887 9,492			139,248 63,280
5860044 MMN X0873 AA OPERATIONS & POLICY ANALYST 4	1	1.00	24.00	04	6,351.00	134,133 58,404	16,767 7,301	1,524 664		152,424 66,369
5860046 OA C1245 AA FISCAL ANALYST 3	1	1.00	24.00	09	6,691.00	144,526 61,453	9,635 4,098	6,423 2,731		160,584 68,282
TOTAL PICS SALARY						993,420	110,007	71,949		1,175,376
TOTAL PICS OPE						441,821	47,546	31,268		520,635
TOTAL PICS PERSONAL SERVICES =	8	8.00	192.00			1,435,241	157,553	103,217		1,596,011

POLICY PACKAGE 312
2015-17 Budget
CCWD Staffing Gap

PURPOSE

In the past several years, staff at the Department of Community Colleges and Workforce Development (CCWD) has taken on several unfunded projects and policy work; this has resulted in a disparity between the current workload demands of the community college team and current staff capacity. CCWD is requesting three new general funded Education Specialist 2 positions and making a 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 GED, 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, requirements of statute and administrative rule, 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.

HOW ACHIEVED

In January 2014 the GED transitioned from a paper based test implemented in 2002 to a more rigorous, fully online test, aligned to the Common Core State Standards. The changes in test series, test administration and rigor have increased the workload of the State GED Administrator significantly. There has also been a significant decline in test taking and a marketing campaign will need to be developed and implemented. The State GED Administrator is currently a 0.7 FTE Education Specialist 2 position, to manage the increased workload the Department is requesting this be increased by 0.3 to make the position 1.0 FTE.

The Higher Education Coordinating Commission (HECC) has a goal of “broadening the pathways to our 40-40 goals”. This is done through programs such as career pathways and includes the expansion or scaling of seamless high school to community college transitions, allowing more students to move more efficiently along better-organized pathways that lead to faster completion of certificates and degrees. CCWD is requesting a 1.0 FTE Education Specialist 2, to work with community colleges to continue to develop career pathways programs, including STEM, expand the use of stackable credentials (Badges, Industry Recognized Credentials, etc.) and expand opportunities for high school students to not only earn college credit but also graduate from high school with their diploma and at least a 12-44 credit community college certificate of completion.

Another goal if the HECC is to “make the pathway accessible, affordable and supportive for students”. This is done by focusing on options such as work based learning, distance learning and the community college to university transfer pathway. These options make earning a higher education degree or certificate more cost effective, flexible and accelerate student progress by straightening the pathways to certificates and degrees and helping students navigate the increasingly complex array of choices that confront them. CCWD is requesting a 1.0 FTE Education Specialist 2 to do this work.

The HECC also has a goal of “Steer” the higher education enterprise and “Cheer” the promotion of college completion and career readiness”. The steering is done through the accountability of the annual FTE Audit, which ensures state funds are being utilized to support state approved programs

and courses. The cheering is done through the support of the student success initiatives, strategies at each college designed to create a broader and more inclusive culture of college aspiration to achieve our 40-40 goals. These evidence based initiatives also meet the needs of first-time college students and under-represented populations, leading to increased progression, retention and completion of certificates and degrees. CCWD is requesting a 1.0 FTE Education Specialist 2 to do this work.

STAFFING IMPACT

- 0.3 FTE, Education Specialist 2 (Increasing an existing ES2 from 0.7 FTE to 1.0 FTE)
- 3.0 FTE, Education Specialist 2

QUANTIFYING RESULTS

The additional staff requested will work to advance the mission of the Department of Community Colleges and Workforce Development by contributing to increased skills and career opportunities for Oregonians.

The Staffing Gap package supports CCWD Key Performance Measures (KPM):

- KPM #1: Successful GED Applicants
- KPM #8: Nursing Program Completion
- KPM #10: Business and Industry Training Company Satisfaction
- KPM #11: Licensing/Certification Rates
- KPM #12: Career and Technical Education
- KPM #13: Associates Degree Completion
- KPM #14: Student Transfers to OUS
- KPM #15: Progress of Transfer Students
- KPM #16: Tuition and Fees
- KPM #17: High School Participation
- KPM #18: Minority Enrollment
- KPM #20: Best Practices

REVENUE SOURCE

\$710,748 General Fund

GOVERNOR'S RECOMMENDED BUDGET

Not recommended.

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Higher Education Coordinating Commission
 Pkg: 312 - CCWD Staffing Gap

Cross Reference Name: CCWD Office Operations
 Cross Reference Number: 52500-011-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
General Fund Appropriation	-	-	-	-	-	-	-
Total Revenues	-	-	-	-	-	-	-
Personal Services							
Class/Unclass Sal. and Per Diem	-	-	-	-	-	-	-
Empl. Rel. Bd. Assessments	-	-	-	-	-	-	-
Public Employees' Retire Cont	-	-	-	-	-	-	-
Pension Obligation Bond	-	-	-	-	-	-	-
Social Security Taxes	-	-	-	-	-	-	-
Worker's Comp. Assess. (WCD)	-	-	-	-	-	-	-
Mass Transit Tax	-	-	-	-	-	-	-
Flexible Benefits	-	-	-	-	-	-	-
Other OPE	-	-	-	-	-	-	-
Total Personal Services	-	-	-	-	-	-	-
Services & Supplies							
Instate Travel	-	-	-	-	-	-	-
Employee Training	-	-	-	-	-	-	-
Office Expenses	-	-	-	-	-	-	-
Telecommunications	-	-	-	-	-	-	-
State Gov. Service Charges	-	-	-	-	-	-	-
Data Processing	-	-	-	-	-	-	-
Publicity and Publications	-	-	-	-	-	-	-
Employee Recruitment and Develop	-	-	-	-	-	-	-

____ Agency Request
 2015-17 Biennium

____ Governor's Budget
 Page _____

____ Legislatively Adopted
 Essential and Policy Package Fiscal Impact Summary - BPR013

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Higher Education Coordinating Commission
 Pkg: 312 - CCWD Staffing Gap

Cross Reference Name: CCWD Office Operations
 Cross Reference Number: 52500-011-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Services & Supplies							
Dues and Subscriptions	-	-	-	-	-	-	-
Facilities Rental and Taxes	-	-	-	-	-	-	-
Other Services and Supplies	-	-	-	-	-	-	-
Expendable Prop 250 - 5000	-	-	-	-	-	-	-
Total Services & Supplies	-	-	-	-	-	-	-
Total Expenditures							
Total Expenditures	-	-	-	-	-	-	-
Total Expenditures	-	-	-	-	-	-	-
Ending Balance							
Ending Balance	-	-	-	-	-	-	-
Total Ending Balance	-	-	-	-	-	-	-
Total Positions							
Total Positions	-	-	-	-	-	-	-
Total Positions	-	-	-	-	-	-	-
Total FTE							
Total FTE	-	-	-	-	-	-	-
Total FTE	-	-	-	-	-	-	-

DETAIL OF LOTTERY FUNDS, OTHER FUNDS, AND FEDERAL FUNDS REVENUE

Higher Education Coordinating Commission
2015-17 Biennium

Agency Number: 52500
Cross Reference Number: 52500-011-00-00-00000

<i>Source</i>	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
Other Funds						
Charges for Services	-	-	-	795,480	795,480	-
Other Revenues	-	-	-	1,549,789	1,622,463	-
Tsfr From Education, Dept of	-	-	-	1,634,590	1,634,590	-
Total Other Funds	-	-	-	\$3,979,859	\$4,052,533	-
Federal Funds						
Federal Funds	-	-	-	12,885,617	13,145,611	-
Tsfr To Governor, Office of the	-	-	-	(270,000)	(270,000)	-
Total Federal Funds	-	-	-	\$12,615,617	\$12,875,611	-

STATE SUPPORT OF COMMUNITY COLLEGES

State Support of Community Colleges: Description

Moving the State to 40/40/20

Postsecondary education and skill development are essential for Oregonians to be sufficiently prepared for the current and future workplace, and to ensure Oregon has a strong and stable economy. It is more critical than ever before for Oregonians to have at least a two-year postsecondary degree or credential. With this and with the endorsement of leading business interests, legislation was passed in 2011 to focus the State of Oregon on a 40/40/20 goal: 40 percent of Oregon's adults holding as their highest credential a bachelor's degree or higher, 40 percent having as their highest credential an associate's degree or professional certificate, and 100 percent having earned a high school diploma or its equivalent (20% having a high school diploma or its equivalent as their only credential).

There is some debate as to what percentage of the economy requires "middle skill" workers, requiring additional education beyond high school. Middle skills credentials include certificates, associate's degrees, journey cards, and industry recognized credentials, yet are short of a four-year degree. Some national research puts the percentage of required "middle skill" workers as high as 50 percent for a vibrant economy. One thing remains clear: the "middle 40" of 40/40/20 is the heart and soul of Oregon's economy and community colleges are the primary carriers of that "middle 40." As such, community colleges are committed to improving student persistence and completion, helping the state move toward the 40/40/20 vision by 2025.

In Oregon, the largest providers of postsecondary education are the 17 community colleges which served over 344,246 students in the 2012-13 academic year. The affordability and availability of quality courses and programs on a convenient and regular basis are the foundation of a quality community college education. Adequate financial support through the Oregon Opportunity Grant for all postsecondary students, including part time community college students, is critical for the economic well-being of Oregon.

Access to Oregon's community colleges means greater opportunity for residents and an improved quality of life for all Oregonians. The Oregon community colleges provide accessible, high quality, lifelong learning opportunities to serve the present and future needs of the state and its citizens. Community colleges strive to meet a number of goals, including those which directly impact the "middle 40" and beyond.

They do this by increasing postsecondary educational accessibility for Oregonians through:

- Responding to the increased demand to partner with high schools to offer access to college curriculum through Accelerated Learning Opportunities (ALOs) such as Dual Credit Courses, and Expanded Options Programs.

Impact. In 2012-13, a total of 27,367 Oregon's high school students enrolled in one or more dual credit courses (*an ALO option*)—college courses taught at their high school for both high school and college credit.

Supporting the efforts of the public postsecondary general education alignment and seamless transfer of courses between programs results in increased ease of student transfer between Oregon’s Community Colleges and the Oregon University System (OUS).

Impact. In 2011-12, a total of 21,954 OUS students had taken courses at an Oregon community college during the *prior* academic year.

- Maintaining an open admission policy with equal educational access and opportunity.

Impact. In 2012-13, a total of 344,246 individuals took courses at one of 17 Oregon community colleges. Oregon community colleges maintain open enrollment policies—admitting almost any student who has a desire to learn.

- Providing courses and programs for those who need to develop competencies in basic literacy and language skills or who are pursuing a GED or an Adult High School Diploma.

Impact. According to the American Community Survey (*ACS 5 year; 2006-2010*), an estimated 271,116 Oregonians (or 11.34%) ages 18-64 do not have a high school credential (*i.e.*, diploma, GED). In 2011-12, 6098 Oregonians attained a GED or Adult High School Diploma through programs associated with Oregon community colleges.

- Providing curriculum/courses through a variety of formats—including traditional campus-based and distance delivered instruction—to ensure access to community college education for all Oregonians regardless of geographic location.

Impact. In 2012-13, a total of 80,219 students took at least one distance education course offered by one of Oregon’s community colleges.

Increasing community college student success through:

- Providing a student-centered learning environment with faculty and staff who are accessible and supportive.

Example. One way Oregon community colleges monitor faculty-student engagement by administering the nationally recognized Community College Survey of Student Engagement (CCSSE), using results to inform best practices at their local college.

- Providing Career and Technical Education (CTE) courses and programs which prepare individuals for entry level employment or occupational advancement, and are appropriate to the needs of students and employers in the state.

Example. In 2011-12, a consortium of Oregon community colleges (CASE Consortium) was awarded 18 million dollars by the federal government to strengthen Oregon’s workforce, including building partnerships with employers that develop instructional programs specific to industry needs in Oregon.

- Provide counseling and career development services to assist students in identifying and achieving their academic, career, and life goals.

- Provide workforce, health and safety curriculum to meet local community needs.
- Be an effective partner in community and economic development. [mention small business center courses]

Example. In 2011-12, 7,657 Oregonians enrolled in 1063 courses taught at community college Small Business Development Centers (SBDCs). These courses, such as Introduction to Entrepreneurship, are designed to provide practical and affordable training to (or individuals interested in starting) local businesses.

- Help students develop a full and balanced maturity by providing opportunities through which they may gain experience in democratic living, self-determination, cultural and social awareness, leadership, and cooperation.

Example. Oregon community colleges offer Cooperative Work Experience (CWE) programs which bridge the gap between the college classroom and work environment, providing valuable work experience to college students.

The Impact of Community Colleges on Oregon’s Economy

Oregon’s community colleges already have a significant impact on the economy at the state and local levels. Increased public investment will not only help the community colleges achieve the plan outlined above, but will also support and increase the very real monetary benefits provided by community colleges. A 2012 study of the socio-economic impact of the 17 community colleges found:

- Students enjoy a 22.2% return on their investments of time and money. The corresponding benefit cost ration of 7.5 means that for every \$1 the student invests in education he or she will receive a cumulative \$7.50 in higher future earnings over their working careers. The payback period is 7.0 years.
- Taxpayers see a rate of return on their annual investments in Oregon’s community colleges of 8.0%.
- The combined income and productivity benefits from community college education contribute \$665.3 million in taxable income to the Oregon economy each year.
- The State of Oregon benefits from improved health and reduced welfare, unemployment, and crime, saving the State some \$31.5 million per year.^[1]

Oregon Community Colleges – Benefits at a Glance ^[2]	
Statewide Analysis	Statewide Impact
Statewide Economic Growth	
Annual college contribution to regional income (labor and non-labor)	\$470,700,000
Annual student contribution to regional income (labor and non-labor)	\$6,100,000,000

^[1] Economic Modeling Specialists Int. “The Economic Contribution of Oregon Community Colleges.” Prepared for the Oregon Department of Community Colleges and Workforce Development, July 2012.

^[2] Economic Modeling Specialists, Int. “The Economic Contribution of Oregon Community Colleges.” Prepared for the Oregon Department of Community Colleges and Workforce Development, July 2012.

Total			\$6,570,700,000
Investment Analysis	Rate of Return	Benefit/ Cost Ratio	Payback (Years)
Students	22.2%	7.5	7.0
Taxpayers: Broad Perspective	NA	26.6	NA
Taxpayers: Narrow Perspective	8.0%	2.2	14.8

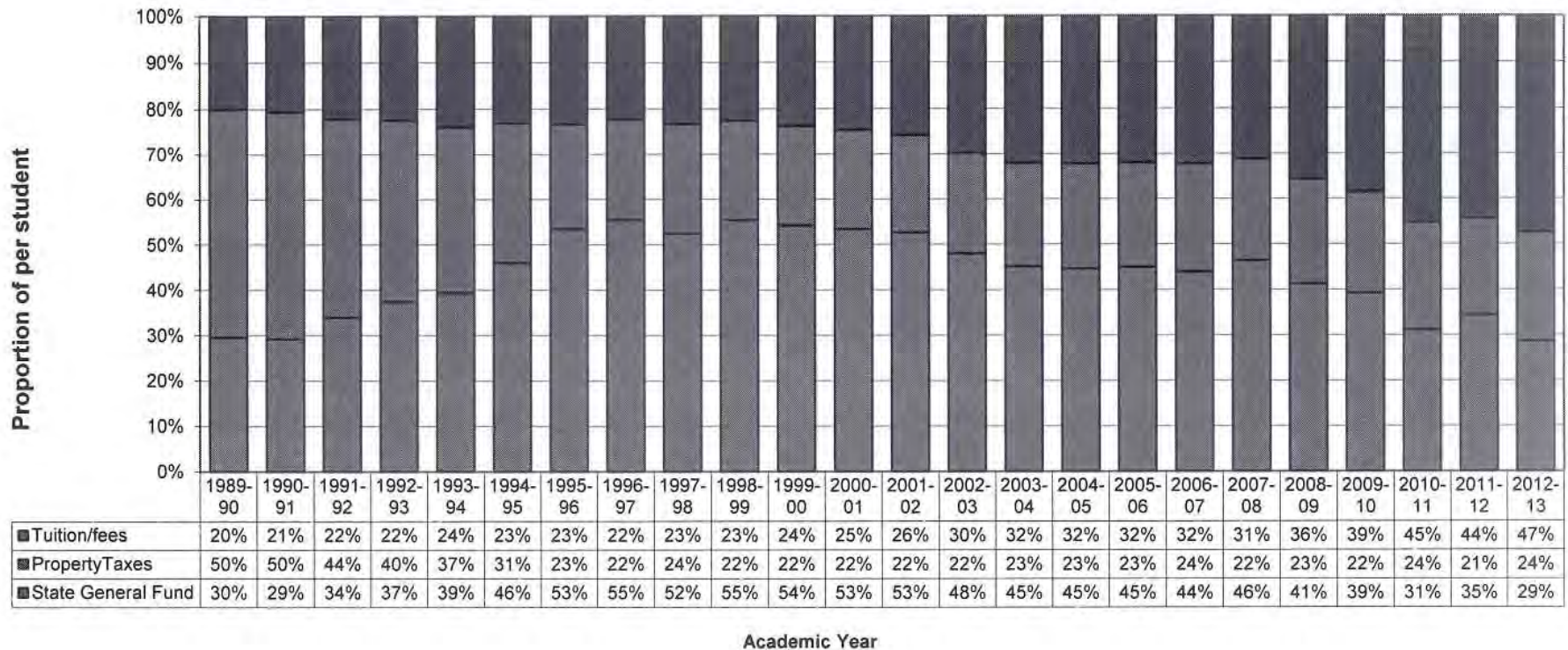
Community College Funding

CCWD distributes both state and federal funds to community colleges. The Community College Support Fund (CCSF) is the state's General Fund contribution to the operation of the 17 community colleges. Additional funds are distributed to community colleges for Adult Basic Skills and Carl Perkins Career and Technical Education Programs, which are budgeted in the Federal/Other Funds grant-in-aid budget structure.

Community colleges rely on three complementary funding streams as the primary sources of support for education and workforce services to local communities: Oregon General Fund appropriations through the CCSF, property taxes, and student tuition and fees. State General Funds are distributed to the community colleges through a formula adopted by the State Board of Education. The Community College Distribution Formula is based on the premise that public funds should support Oregon students equitably, regardless of where they attend community college within the state.

In the post-Measure 5 and post-Measure 50 revenue environment in 1996-97, Oregon State General Funds represented approximately 55 percent of local community college General Fund revenues, while district taxes represented about 22 percent and tuition represented another 22 percent. However, by 2012-13, Oregon General Funds represented only about 29 percent of community college General Fund revenues. During that period district taxes remained relatively level, so community colleges were forced to turn to tuition, as the only other flexible revenue source, to continue offering programs and services their communities need. Tuition now represents 47 percent of community college General Fund revenues, and tuition has grown more than 196 percent since 1997-98. The following chart shows the changes in the proportion of community college revenues represented by Oregon General Funds, district taxes, and tuition and fees.

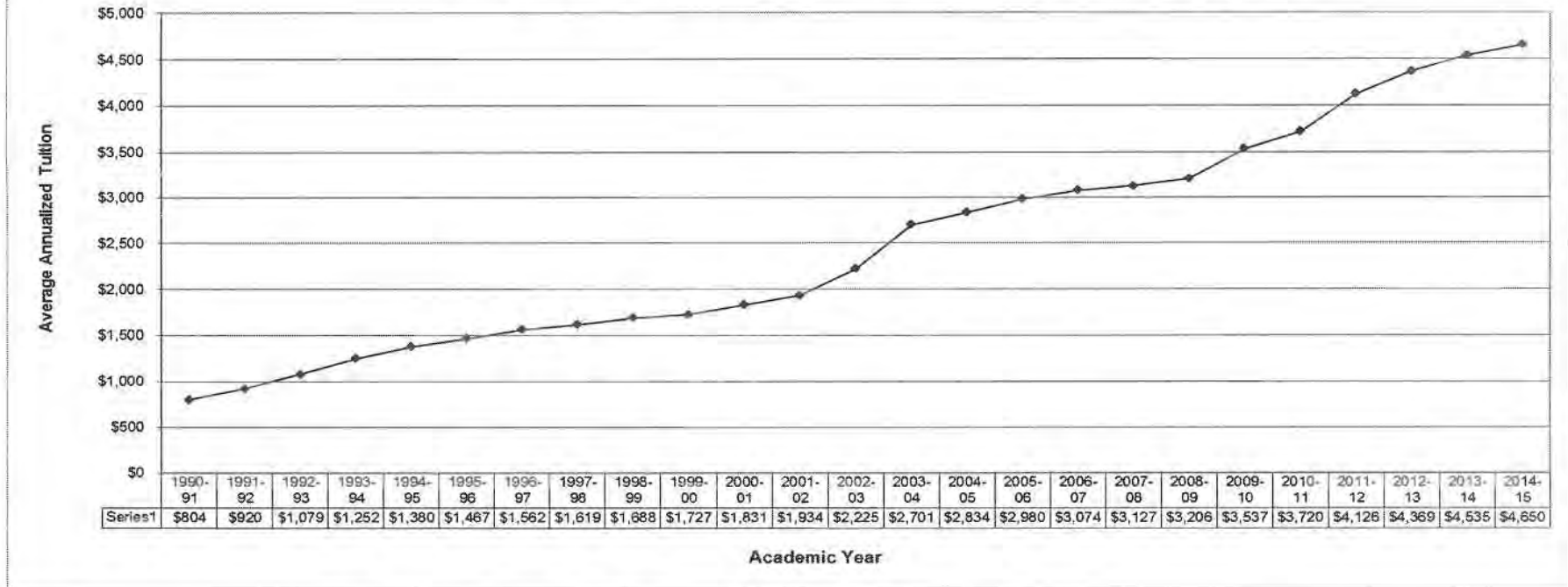
**Community College Revenue Sources
(Tuition and Fees, Local Property Taxes, State General Fund)**



Oregon community colleges currently (2011-12) have the third highest tuition in the 15 western states. Between 2002-03 and 2012-13, tuition and fees increased \$2301 statewide, an increase of 111 percent.

Higher tuition limits the ability of students to enroll in and complete programs and courses. Research by the community colleges shows that as tuition rises, there is a significant, and permanent, negative impact on the rate of full-time equivalent enrollment growth for credit students. The table below shows the increases in tuition over the past several years.

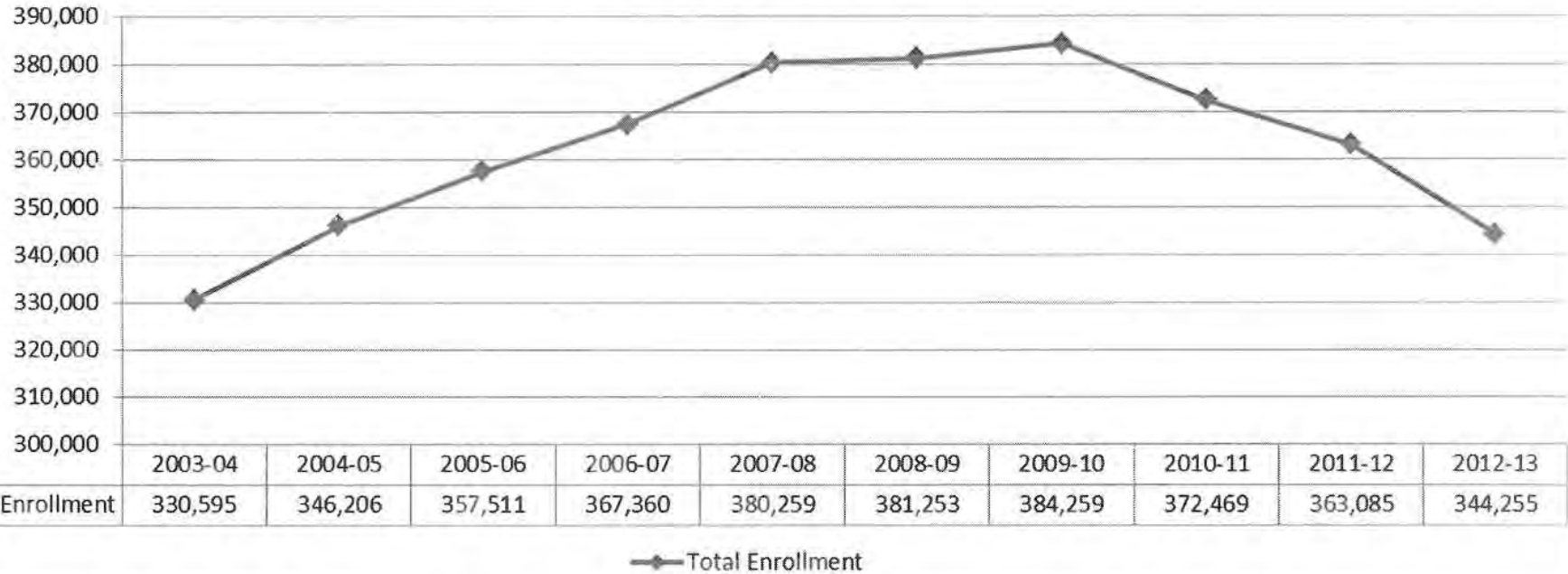
Average Annualized Oregon Community College Tuition 2014-15



A top priority of the HECC is adequate funding for community college students. This funding provides support so that community colleges can begin reinstating course sections and programs cut during the economic downturn, begin to slow the pace of tuition increases, and start offering services to students that were not available in recent years.

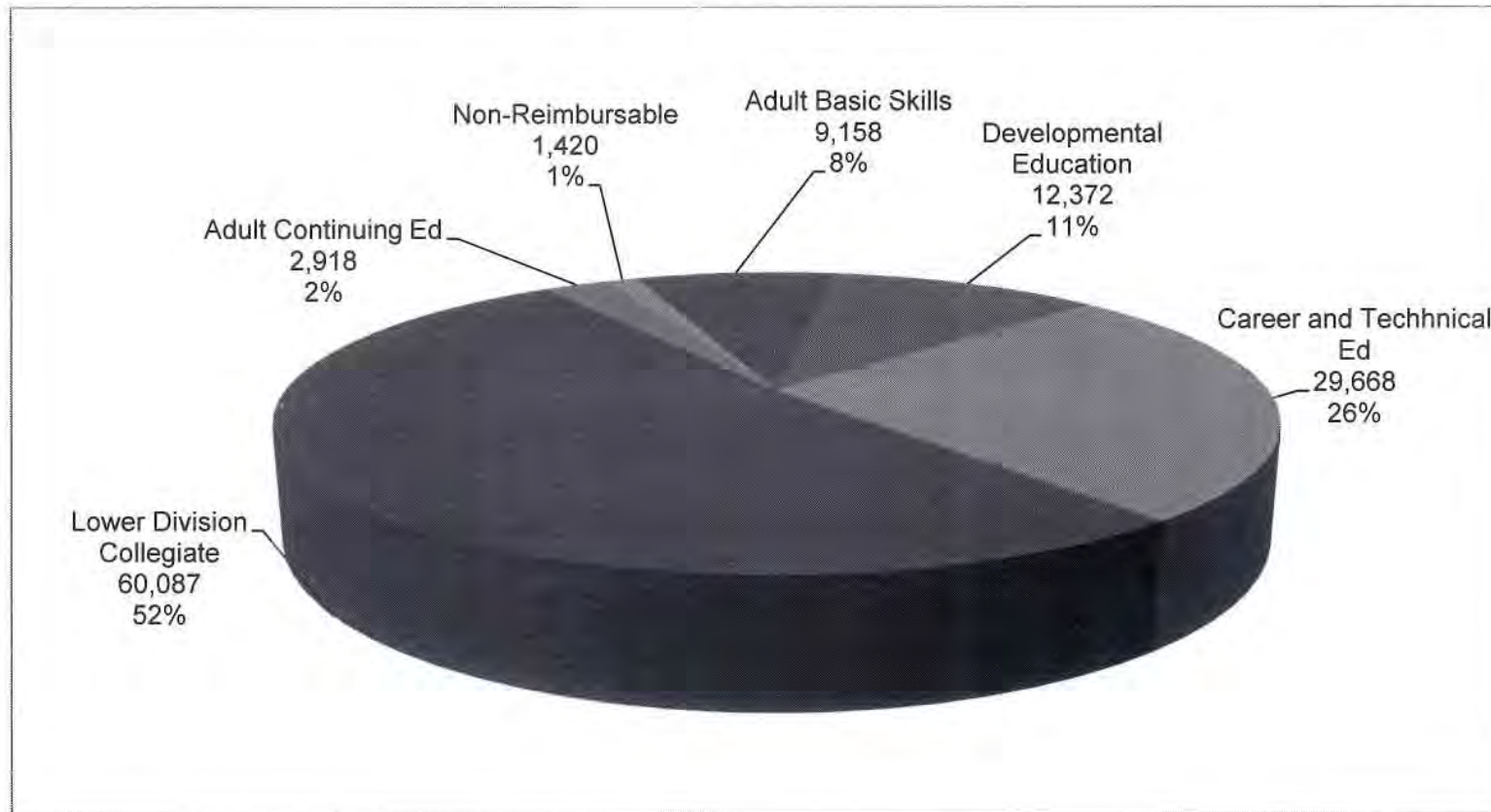
In 2012-13, community colleges served 344,255 students. While this is a decline from the recession-era peak in 2009-10, enrollment at Oregon community colleges remains at historically high levels.

Total Community College Enrollment (Full and Part-Time)



The majority of Oregon’s community college students attend part-time, and part-time students were disproportionately responsible for the surge in enrollment during the recession. Thus, when the total enrollment figures (“headcount”) from the chart above are converted to full-time equivalents (“FTE”), the trend lines smooth significantly.

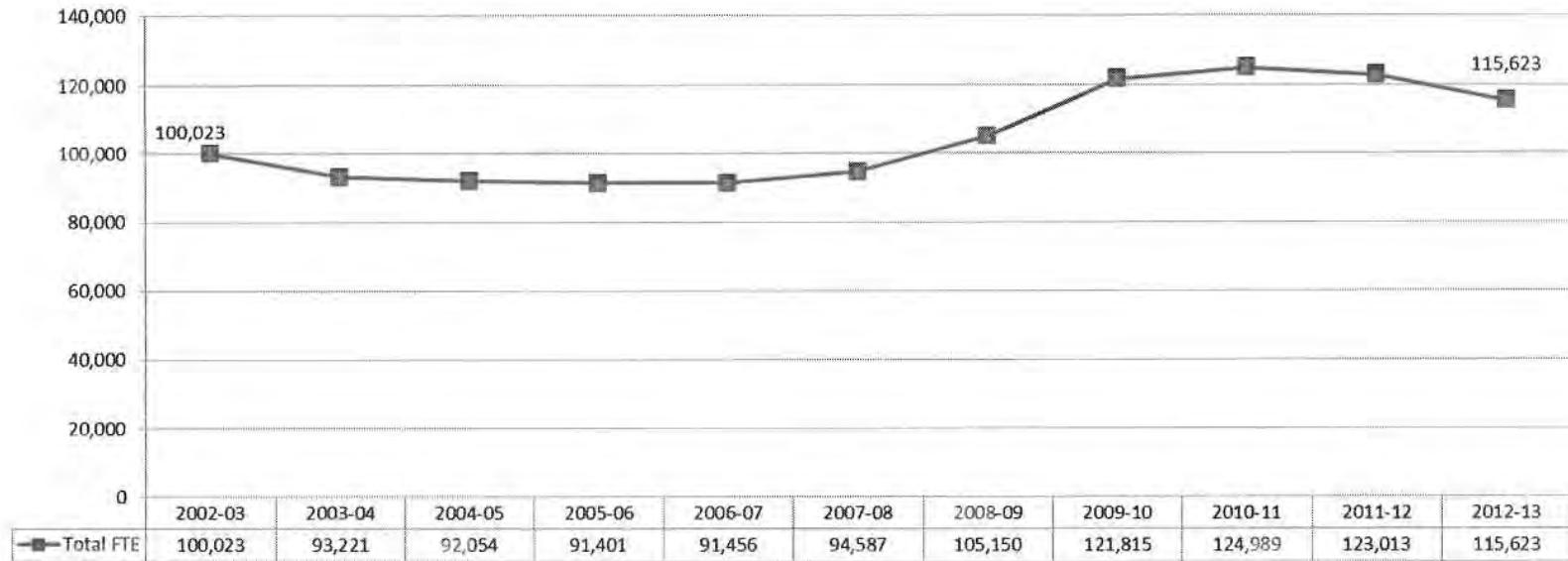
2012-13 FTE by Program Area



While the total amount of FTE fell slightly in 2012-13, the distribution of FTE remained relatively the same when compared to the previous academic year. Both the percentage of lower division degree requirement (LDC) and Developmental Education (Dev. Ed.) course FTE increased by 1%, while Career and Technical Education (CTE) course FTE decreased by 2%.

Prior to 2002-03, FTE enrollments were trending steadily upwards. Following budget cuts that occurred over the second half of the 2001-03 biennium, FTE enrollments declined rapidly. Academic year 2007-08 experienced the first major increase in FTE since 2001-02. Although the rate of increase has slowed, 2010-11 experienced the largest FTE ever.

Community College Full-time Equivalent Student Enrollments



State Support to Community Colleges: Essential and Policy Packages

Package 021: Phased-In Programs

In the February 2014 Legislative Session the Legislature reduced funding for the Community College Support Fund by \$121,087. This funding was made available to be used as a one-time offset Office Operations for a General Fund shortfall for staffing. The reduction amount was phased-in to reinstate the full amount of the Community College Support Fund.

Package 022: Phased-Out Programs

The \$588,000 General Fund that was provided in the 2013-15 biennium to the Sabin-Schellenberg Career and Technical Education Center and to Portland Community College Skill Centers was phased-out.

Package 031: Standard Inflation and State Government Service Charges

The calculation for the Community College Support Fund includes the increased cost of PERS, health insurance and pension obligation bonds as well as the standard inflation for non-state worker personal services and supplies and services. The resulting total inflation increase for 2015-17 is \$24,507,241. Package 031 includes on the standard inflation of 3.0% or \$ 13,946,367. The remainder is in Package 032.

Package 032: Non-Standard Inflation

The Department of Administrative Services allows inflationary adjustments to be made to the Community College Support Fund to reflect the increase costs of doing business. The Department of Administrative Services projects the non-standard inflation rate to be 2.45% for the 2015-17 Biennium which results in an additional \$10,560,873 General Fund appropriation.

Package 050: Fund Shifts

The purpose of this package is to adjust the State Support for Community Colleges to reflect an anticipated increase in local property taxes in the 2015-17 budget period. This adjustment reflects a policy decision to reduce General Fund inflationary adjustments by anticipated growth in local property tax revenues. This package decreases General Fund by \$19,501,502.

Package 060: Technical Adjustments

HB 4018, which passed in the February 2014 Session, moves the Department of Community Colleges and Workforce Development into the Higher Education Coordinating Commission (HECC) effective July 1, 2015. In this package, the Department of Community Colleges and Workforce Development's budget was eliminated and moved into the HECC's budget. The amount of funding transferred is \$455,005,738 General Fund and \$45,810 Other Funds.

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Higher Education Coordinating Commission
 Pkg: 010 - Non-PICS Psnl Svc / Vacancy Factor

Cross Reference Name: State Support to CCs
 Cross Reference Number: 52500-012-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
General Fund Appropriation	-	-	-	-	-	-	-
Tsfr From Revenue, Dept of	-	-	-	-	-	-	-
Total Revenues	-	-	-	-	-	-	-
Special Payments							
Dist to Comm College Districts	-	-	-	-	-	-	-
Total Special Payments	-	-	-	-	-	-	-
Total Expenditures							
Total Expenditures	-	-	-	-	-	-	-
Total Expenditures	-	-	-	-	-	-	-
Ending Balance							
Ending Balance	-	-	-	-	-	-	-
Total Ending Balance	-	-	-	-	-	-	-

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Higher Education Coordinating Commission
Pkg: 060 - Technical Adjustments

Cross Reference Name: State Support to CCs
Cross Reference Number: 52500-012-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
General Fund Appropriation	455,005,738	-	-	-	-	-	455,005,738
Tsfr From Revenue, Dept of	-	-	45,810	-	-	-	45,810
Total Revenues	\$455,005,738	-	\$45,810	-	-	-	\$455,051,548
Special Payments							
Dist to Comm College Districts	455,005,738	-	45,810	-	-	-	455,051,548
Total Special Payments	\$455,005,738	-	\$45,810	-	-	-	\$455,051,548
Total Expenditures							
Total Expenditures	455,005,738	-	45,810	-	-	-	455,051,548
Total Expenditures	\$455,005,738	-	\$45,810	-	-	-	\$455,051,548
Ending Balance							
Ending Balance	-	-	-	-	-	-	-
Total Ending Balance	-	-	-	-	-	-	-

POLICY PACKAGE 101
2015-17 Budget
Continue HB 5101 Tuition Buy Down into 2015-17

PURPOSE

HB 5101 (2013 Special Legislative Session) appropriated an additional \$15,000,000 to the Community College Support Fund for the purpose of reducing tuition increases over the second year of the biennium. Because the funds dedicated to holding tuition flat take the place of tuition increases, discontinuance would necessitate additional tuition increases beyond normal cost increases to backfill a funding gap created by artificially low tuition levels and a funding gap created by the reduction of State General Fund appropriations. It is generally understood that limiting tuition increases to the lowest level possible while maintaining the quality and financial integrity of the university is optimal to support affordability and access to low and middle income Oregonians. As a result, making the HB 5101 tuition buy-down permanent is a high priority for the Higher Education Coordinating Commission.

HOW ACHIEVED

In order to maintain tuition structure that is more affordable for Oregonians, the Higher Education Coordinating Commission is requesting the continuation of the HB 5101 tuition buy-downs from the prior biennium. Package 101 would supply sufficient funds to cover the biennial cost of the prior tuition buy-down into the future and obviate the need for a “catch up” tuition increase. These funds will be allocated to the community colleges to support their core operations so that “catch-up” tuition increases will be not need to be made.

STAFFING IMPACT

None

QUANTIFYING RESULTS

Without the continued investment in tuition buy-down funds the community colleges would be compelled to increase tuition beyond the general cost of inflation.

REVENUE SOURCE

\$30,000,000 General Fund

GOVERNOR’S RECOMMENDED BUDGET

Recommended.

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Higher Education Coordinating Commission
 Pkg: 101 - Continue HB 5101 tuition buy-down into 2015-17

Cross Reference Name: State Support to CCs
 Cross Reference Number: 52500-012-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
General Fund Appropriation	30,000,000	-	-	-	-	-	30,000,000
Total Revenues	\$30,000,000	-	-	-	-	-	\$30,000,000
Special Payments							
Dist to Comm College Districts	30,000,000	-	-	-	-	-	30,000,000
Total Special Payments	\$30,000,000	-	-	-	-	-	\$30,000,000
Total Expenditures							
Total Expenditures	30,000,000	-	-	-	-	-	30,000,000
Total Expenditures	\$30,000,000	-	-	-	-	-	\$30,000,000
Ending Balance							
Ending Balance	-	-	-	-	-	-	-
Total Ending Balance	-	-	-	-	-	-	-

POLICY PACKAGE 111
2015-17 Budget
State Support to Community Colleges

PURPOSE

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 also 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 affect all three aspects of Oregon’s 40/40/20 educational goal.

HOW ACHIEVED

On a statewide scale, Oregon is poised to create a coordinated preschool-20 education continuum. Work is now being done to focus state investments on achieving student outcomes (or student success). Achievement compacts have been developed with each of the colleges and work is beginning on creating outcome-based funding models. While the focus is on student outcomes, we cannot lose sight of a basic tenet of community college, which is affordable and accessible postsecondary education.

At the colleges, work is underway to transform the educational offerings and teaching techniques to improve student access, outcomes and fiscal sustainability. Transformation happens when faculty and staff are engaged and when there is collaboration among the 17 community colleges and the 7 universities. At the same time, colleges are investing in innovations and high impact best practices to increase student success and move closer to achieving goals of 40/40/20.

Package 111 proposes a \$34 million increase to the support fund for a total of \$519 million. This funding level is comparable to the peak of 2007-09 (although enrollment remains significantly higher), continuing 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.

STAFFING IMPACT

None.

QUANTIFYING RESULTS

Senate Bill 1538 (2012) requires that the governing bodies of educational entities, including community colleges, enter into achievement compacts annually with the Oregon Education Investment Board (OEIB). This piece of legislation also outlines the terms the achievement compacts may contain including:

- Completion rates;
- Attainment of diplomas, certificates and degrees;
- Validation of the quality of knowledge and skills acquired by students of a given education entity; and
- The relevance of the knowledge and skills acquired by the students to the workforce, the economy, and society.

In addition, the Higher Education Coordinating Commission and the 17 community college have been working to develop an outcome-based funding formula.

Other quantifiable results will be shown in the following KPMs:

KPM #8 – Nursing Completion

KPM #11 – Licensing/Certification Rates

KPM #12 – Professional Technical Degree/Certificate Completion

KPM #13 – Associate Degree Completion

KPM #14 – Student Transfers to OUS

KPM #15 – Progress of Transfer Students

KPM #16 – Tuition/Fees

KPM #17 – High School Participation

KPM #18 – Minority Enrollment

REVENUE SOURCE

\$33,994,262 General Fund

GOVERNOR’S RECOMMENDED BUDGET

Recommended as modified.

This package brings total funding for the Community Support Fund to \$500 million by providing \$14,994,262 General Fund.

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Higher Education Coordinating Commission
 Pkg: 111 - Community College Support Fund

Cross Reference Name: State Support to CCs
 Cross Reference Number: 52500-012-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
General Fund Appropriation	14,994,262	-	-	-	-	-	14,994,262
Total Revenues	\$14,994,262	-	-	-	-	-	\$14,994,262
Special Payments							
Dist to Comm College Districts	14,994,262	-	-	-	-	-	14,994,262
Total Special Payments	\$14,994,262	-	-	-	-	-	\$14,994,262
Total Expenditures							
Total Expenditures	14,994,262	-	-	-	-	-	14,994,262
Total Expenditures	\$14,994,262	-	-	-	-	-	\$14,994,262
Ending Balance							
Ending Balance	-	-	-	-	-	-	-
Total Ending Balance	-	-	-	-	-	-	-

DETAIL OF LOTTERY FUNDS, OTHER FUNDS, AND FEDERAL FUNDS REVENUE

Higher Education Coordinating Commission
2015-17 Biennium

Agency Number: 52500
Cross Reference Number: 52500-012-00-00-00000

<i>Source</i>	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
Other Funds						
Tsfr From Revenue, Dept of	-	-	-	45,810	45,810	-
Total Other Funds	-	-	-	\$45,810	\$45,810	-

CCWD FEDERAL AND OTHER SUPPORT

CCWD Federal and Other Support: Description

Department of Community Colleges and Workforce Development

Most of the Federal and Other Funds that come to the Department of Community Colleges and Workforce Development are passed through to community colleges, local workforce service areas, and other local providers.

Workforce Investment Act Title IB, Adults, Youth, and Dislocated Workers

These programs prepare adults, youth, and dislocated workers who are facing serious barriers to employment for participation in the labor force by providing job training and other services that will result in increased employment and earnings, increased educational and occupational skills, and decreased welfare dependency, thereby improving the quality of the workforce and enhancing the productivity of the nation.

CCWD, along with our partners at the Oregon Employment Department, provide an integrated service delivery system to our customers. The purpose of the integration is to provide workforce investment activities that increase the employment, retention and earnings of participants as well as increasing access to skill development opportunities including occupational skills training when appropriate. This results in improving the quality of the workforce and enhancing the productivity and global competitiveness of Oregon as well as increasing wages, retention and advancement of Oregonians. Integration is systematically improving the coordination for the Workforce Investment Act and Wagner-Peyser Act funded services to achieve improved customer outcomes and more efficient and effective customer service.

Title IB activities are supported by funds appropriated by the U.S. Department of Labor and can be spent only on these specific activities. Approximately \$95 million is anticipated for 2015-17. Five percent will be retained to pay administrative costs; the majority of these funds will be distributed to local workforce areas, which provide services to people in need. No match is required.

Adult

Goal of the Adult Program:

- Provide adults with skill assessment, skill training, and knowledge development necessary to be successful in the job market.

Services provided:

- Core, intensive and training services through local area WorkSource Oregon One-Stop Centers and local providers.
- Technical assistance, capacity building, identification of resources, and leadership in policy and coordination discussions and efforts.
- Initial Skills review.

Population(s) served:

- Adults 18 years of age and older.
- External customers: Local/Regional Workforce Boards, Title IB service providers, One-Stop operators, state partners, and agencies.
- Internal customers: Adult Education and Family Literacy, GED, Carl Perkins Postsecondary.

Plan or program design to achieve the goals:

- Coordinate activities at state and local levels with other workforce programs.
- Deliver services through local providers.
- Plan to develop more specific program design within agency.

Program measures or evaluation of progress and success:

- WIA performance measures under Title IB (entered employment, retention, earnings change, employment and credential rate).
- Oregon's system-wide indicators of performance (being developed) as they apply to Title IB activities.

Youth

Goals of the Youth Program:

- To provide eligible youth assistance in achieving academic and employment success, effective and comprehensive activities, including a variety of options for improving educational and skill competencies and providing effective connections to employers.
- To ensure on-going mentoring opportunities for youth with adults committed to providing such opportunities.
- To provide opportunities for training to eligible youth.
- To provide continued support services which enhance the success of youth.
- To provide incentives for recognition and achievement to youth.
- To provide opportunities for eligible youth in activities related to leadership development, decision making citizenship and local communities.
- To establish local youth councils that connect many youth programs into a youth system.

Services provided:

- Tutoring, study skills training, and instruction, leading to completion of secondary school including drop-out prevention.
- Alternative secondary school services.
- Summer employment opportunities linked directly to academic occupational learning.
- Paid and unpaid work experiences, including internships and job shadowing.
- Occupational skill training.
- Leadership development opportunities including community service and peer-centered activities.
- Support services.
- Adult mentoring.
- Follow-up services.
- Comprehensive guidance and counseling.

Population served:

- Eligible youth (ages 14-21, economically disadvantaged with barriers to employment).

CCWD Federal and Other Support: Essential and Policy Packages

Package 060: Technical Adjustments

HB 4018, which passed in the February 2014 Session, moves the Department of Community Colleges and Workforce Development into the Higher Education Coordinating Commission (HECC) effective July 1, 2015. In this package, the Department of Community Colleges and Workforce Development's budget was eliminated and moved into the HECC's budget. The amount of funding transferred is \$420,264 Other Funds, \$95,932,390 Federal Funds and \$18,968,831 Nonlimited Federal Funds.

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Higher Education Coordinating Commission
 Pkg: 060 - Technical Adjustments

Cross Reference Name: CCWD Federal/Other Support
 Cross Reference Number: 52500-013-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Beginning Balance							
Beginning Balance	-	-	8,438	-	-	-	8,438
Total Beginning Balance	-	-	\$8,438	-	-	-	\$8,438
Revenues							
Federal Funds	-	-	-	95,932,390	-	18,968,831	114,901,221
Tsfr From Education, Dept of	-	-	420,264	-	-	-	420,264
Total Revenues	-	-	\$420,264	\$95,932,390	-	\$18,968,831	\$115,321,485
Special Payments							
Dist to Counties	-	-	-	8,322	-	-	8,322
Dist to Other Gov Unit	-	-	-	65,556	-	18,968,831	19,034,387
Dist to Non-Gov Units	-	-	307,462	81,253,896	-	-	81,561,358
Dist to Comm College Districts	-	-	87,063	14,287,422	-	-	14,374,485
Spc Pmt to Corrections, Dept of	-	-	-	189,850	-	-	189,850
Spc Pmt to Employment Dept	-	-	33,057	127,344	-	-	160,401
Total Special Payments	-	-	\$427,582	\$95,932,390	-	\$18,968,831	\$115,328,803
Total Expenditures							
Total Expenditures	-	-	427,582	95,932,390	-	18,968,831	115,328,803
Total Expenditures	-	-	\$427,582	\$95,932,390	-	\$18,968,831	\$115,328,803

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Higher Education Coordinating Commission
 Pkg: 060 - Technical Adjustments

Cross Reference Name: CCWD Federal/Other Support
 Cross Reference Number: 52500-013-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Ending Balance							
Ending Balance	-	-	1,120	-	-	-	1,120
Total Ending Balance	-	-	\$1,120	-	-	-	\$1,120

DETAIL OF LOTTERY FUNDS, OTHER FUNDS, AND FEDERAL FUNDS REVENUE

Higher Education Coordinating Commission
2015-17 Biennium

Agency Number: 52500
Cross Reference Number: 52500-013-00-00-00000

<i>Source</i>	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
Other Funds						
Tsfr From Education, Dept of	-	-	-	420,264	420,264	-
Total Other Funds	-	-	-	\$420,264	\$420,264	-
Federal Funds						
Federal Funds	-	-	-	95,932,390	95,932,390	-
Total Federal Funds	-	-	-	\$95,932,390	\$95,932,390	-
Nonlimited Federal Funds						
Federal Funds	-	-	-	18,968,831	18,968,831	-
Total Nonlimited Federal Funds	-	-	-	\$18,968,831	\$18,968,831	-

OREGON YOUTH CONSERVATION CORPS (OYCC)

Oregon Youth Conservation Corps (OYCC): Description

The Oregon Youth Conservation Corps was established by the 1987 Legislature for the purpose of providing education, training, and employment opportunities for disadvantaged and at-risk youth ages 13 through 24. The program purpose is to improve work skills, instill work ethic, increase employability, improve school completion and to protect, conserve, rehabilitate and improve the natural, historical and cultural resources of Oregon. Projects are created through partnerships with federal, state and local governments as well as private and non-profit entities. OYCC has an advisory committee consisting of nine members equally representing the appointing authorities of the Governor, Speaker of the House, and President of the Senate.

During the summer of 2013, 460 youth were served throughout Oregon as part of the Summer Conservation Corps (SCC). OYCC aims to have at least one SCC program in each of Oregon's 36 counties. Projects included: trail construction and maintenance, landscaping, planting, wetland/bank/stream restoration, invasive species removal, construction, gardening/greenhouse, boat ramp repair and maintenance and signage repair and replacement.

During the 2013-2014 school year, 554 youth were served through Community Stewardship Corps (CSC) programs. OYCC worked with 31 alternative education programs across the state. CSC projects included: trail construction and maintenance, invasive species removal, riparian and wetlands restoration, construction, cultivating and planting native plant stock, GIS/GPS mapping and water and soil sampling and monitoring.

Participants reported in follow-up surveys that their experience with OYCC increased their work skills, interest in further education and/or job training, their understanding of environmental issues, and their ability to cooperate in a team effort, work with others and learn from their mistakes.

Revenues for the state program come from the Oregon Lottery's Amusement Device Tax, and agreements with the Oregon State Marine Board, US Forest Service and Bureau of Land Management.

Each Oregon Youth Conservation Corps project or program leverages state funding with matching dollars from one or more natural resource, education and workforce partners. The cumulative match is approximately four to one for the Summer Conservation Corps program and eight to one for the Community Stewardship Corps program.

Goals of the program:

- To establish a disadvantaged and at-risk youth program,
- To perform conservation work of public value in the most cost-effective manner,
- To protect, conserve, rehabilitate, and improve the natural, historical and cultural resources of the state,
- To increase educational opportunities, training and employment opportunities for disadvantaged and at-risk youth for the purpose of improving work skills, instilling the work ethic, and increasing employability.

Services provided:

-
- Summer work programs that benefit at-risk and disadvantaged youth and their communities,
 - Support for alternative educational programs including: funding, partnership building, project development, curriculum and professional/technical training for staff,
 - Partnerships with agencies at all levels to identify and recruit youth who are eligible to apply for summer and year round programs.

Population served:

- Youth, ages 13-24 (75% at-risk)

Plan or program design to achieve the goals:

- Coordinate Summer Conservation Corps with at least one crew in each of Oregon's 36 counties. Actively seek projects and funding partners for crews,
- Coordinate Community Stewardship Corps by partnering with 25 alternative high schools and offering planning grants for prospective new programs. Explore grants and project opportunities,
- Administer competitive grant process and provide technical assistance and expertise to ensure successful programs,
- Annual training for 100+ teachers and crew leaders in team building, project development, safety, leadership skills, integration of classroom and field learning and experiential teaching techniques.

Program measures or evaluation of progress and success:

- Performance measurements of work and education skills gained,
- Pre- and post- assessments by supervisors, corps members and project partners,
- Statistical evaluations, including number of youth served, diversity, barriers overcome
- Student progress in math, science and language arts.
- Provide opportunities to meet Oregon's Essential Skills.

Oregon Youth Conservation Corps (OYCC): Essential and Policy Packages

Package 010: Vacancy Factor, Non-PICS Personal Services and PERS Obligations

The cost of Pension Bond contributions increased by \$4,529 Other Funds and \$535 Federal Funds. Other Fund Mass Transit costs increased by \$209.

Package 031: Standard Inflation and State Government Service Charges

The Department of Administrative Services (DAS) biennial inflation factors for 2013 include 3% for general inflation and, 3.3% for non-state employee personnel costs (contract providers). Using these standard inflation rates increases Other Funds limitation by \$59,926 and Federal Funds limitation by \$32,513.

Package 032: Above Standard Inflation:

Per budget instructions, above standard inflation was applied to Professional Services, which increased Other Funds by \$155.

Package 060: Technical Adjustments

HB 4018, which passed in the February 2014 Session, moves the Department of Community Colleges and Workforce Development into the Higher Education Coordinating Commission (HECC) effective July 1, 2015. In this package, the Department of Community Colleges and Workforce Development's budget was eliminated and moved into the HECC's budget. The amount of funding transferred is \$\$2,278,000 Other Funds and \$1,165,934 Federal Funds.

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Higher Education Coordinating Commission
 Pkg: 060 - Technical Adjustments

Cross Reference Name: Youth Conservation Corp
 Cross Reference Number: 52500-014-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Beginning Balance							
Beginning Balance	-	-	525,000	-	-	-	525,000
Total Beginning Balance	-	-	\$525,000	-	-	-	\$525,000
Revenues							
Donations	-	-	175,000	-	-	-	175,000
Other Revenues	-	-	300,000	-	-	-	300,000
Federal Funds	-	-	-	1,165,934	-	-	1,165,934
Tsfr From Revenue, Dept of	-	-	1,700,000	-	-	-	1,700,000
Tsfr From Marine Bd, Or State	-	-	103,000	-	-	-	103,000
Total Revenues	-	-	\$2,278,000	\$1,165,934	-	-	\$3,443,934
Transfers Out							
Transfer Out - Intrafund	-	-	(153,712)	-	-	-	(153,712)
Total Transfers Out	-	-	(\$153,712)	-	-	-	(\$153,712)
Personal Services							
Class/Unclass Sal. and Per Diem	-	-	385,714	33,590	-	-	419,304
Empl. Rel. Bd. Assessments	-	-	123	9	-	-	132
Public Employees' Retire Cont	-	-	60,904	5,304	-	-	66,208
Pension Obligation Bond	-	-	23,872	2,079	-	-	25,951
Social Security Taxes	-	-	29,506	2,570	-	-	32,076
Worker's Comp. Assess. (WCD)	-	-	193	14	-	-	207
Mass Transit Tax	-	-	2,314	-	-	-	2,314

____ Agency Request
 2015-17 Biennium

____ Governor's Budget
 Page _____

____ Legislatively Adopted
 Essential and Policy Package Fiscal Impact Summary - BPR013

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Higher Education Coordinating Commission
 Pkg: 060 - Technical Adjustments

Cross Reference Name: Youth Conservation Corp
 Cross Reference Number: 52500-014-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Personal Services							
Flexible Benefits	-	-	85,478	6,106	-	-	91,584
Total Personal Services	-	-	\$588,104	\$49,672	-	-	\$637,776
Services & Supplies							
Instate Travel	-	-	17,261	1,671	-	-	18,932
Out of State Travel	-	-	102	-	-	-	102
Employee Training	-	-	3,870	2,736	-	-	6,606
Office Expenses	-	-	9,336	2,736	-	-	12,072
Telecommunications	-	-	3,314	3,648	-	-	6,962
Data Processing	-	-	9	-	-	-	9
Publicity and Publications	-	-	2,515	456	-	-	2,971
Professional Services	-	-	53,346	-	-	-	53,346
Employee Recruitment and Develop	-	-	82	-	-	-	82
Dues and Subscriptions	-	-	771	-	-	-	771
Facilities Rental and Taxes	-	-	16,601	5,954	-	-	22,555
Agency Program Related S and S	-	-	11,097	-	-	-	11,097
Other Services and Supplies	-	-	2,917	912	-	-	3,829
Expendable Prop 250 - 5000	-	-	106	8,208	-	-	8,314
IT Expendable Property	-	-	390	-	-	-	390
Total Services & Supplies	-	-	\$121,717	\$26,321	-	-	\$148,038
Special Payments							
Dist to Counties	-	-	62,811	-	-	-	62,811
Dist to Other Gov Unit	-	-	93,203	851,047	-	-	944,250

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Higher Education Coordinating Commission
 Pkg: 060 - Technical Adjustments

Cross Reference Name: Youth Conservation Corp
 Cross Reference Number: 52500-014-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Special Payments							
Dist to Non-Gov Units	-	-	929,620	238,894	-	-	1,168,514
Dist to Local School Districts	-	-	663,965	-	-	-	663,965
Dist to Comm College Districts	-	-	32,620	-	-	-	32,620
Spc Pmt to Student Access Comm	-	-	-	-	-	-	-
Total Special Payments	-	-	\$1,782,219	\$1,089,941	-	-	\$2,872,160
Total Expenditures							
Total Expenditures	-	-	2,492,040	1,165,934	-	-	3,657,974
Total Expenditures	-	-	\$2,492,040	\$1,165,934	-	-	\$3,657,974
Ending Balance							
Ending Balance	-	-	157,248	-	-	-	157,248
Total Ending Balance	-	-	\$157,248	-	-	-	\$157,248
Total Positions							
Total Positions							3
Total Positions	-	-	-	-	-	-	3
Total FTE							
Total FTE							3.00
Total FTE	-	-	-	-	-	-	3.00

02/03/15 REPORT NO.: PPDFFISCAL
 REPORT: PACKAGE FISCAL IMPACT REPORT
 AGENCY:52500 HIGHER EDUCATION COORD COMM
 SUMMARY XREF:014-00-00 Youth Conservation Corp

DEPT. OF ADMIN. SVCS. -- PPDB PICS SYSTEM

2015-17
 PICS SYSTEM: BUDGET PREPARATION

PAGE 11
 PROD FILE

PACKAGE: 060 - Technical Adjustments

POSITION NUMBER CLASS COMP CLASS NAME	POS CNT	FTE	MOS	STEP	RATE	GF SAL/OPE	OF SAL/OPE	FF SAL/OPE	LF SAL/OPE	AF SAL/OPE
5860006 MMS X7006 AA PRINCIPAL EXECUTIVE/MANAGER D	1	1.00	24.00	08	6,998.00		134,362 56,006	33,590 14,003		167,952 70,009
5860017 OA C0863 AA PROGRAM ANALYST 4	1	1.00	24.00	09	7,023.00		168,552 70,149			168,552 70,149
5860018 OA C0860 AA PROGRAM ANALYST 1	1	1.00	24.00	02	3,450.00		82,800 50,049			82,800 50,049
TOTAL PICS SALARY							385,714	33,590		419,304
TOTAL PICS OPE							176,204	14,003		190,207
TOTAL PICS PERSONAL SERVICES =	3	3.00	72.00				561,918	47,593		609,511

POLICY PACKAGE 201
2015-2017 Budget
Youth Employment Initiative

PURPOSE

Oregon’s competitiveness is fundamentally linked to the availability of a skilled workforce. However, Oregon is facing 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. According to a recent Oregon Employment Department publication, “Young workers account for a disproportionate share of overall unemployment and falling labor force participation. Young people ages 16 to 24 make up 13 percent of the labor force, but accounted for 29 percent of Oregon’s unemployed in 2013 and for more than one-quarter of the decline in the state’s overall labor force participation rate since 2000” (*Endangered: Youth in the Labor Force*, May 2014, <http://www.qualityinfo.org/pubs/youth.pdf>). These circumstances have made it harder for youth to compete with experienced applicants in the labor market. The money earned by working youth, especially those from lower income families, helps improve their families’ finances and stimulates the local economy yet rural youth face additional challenges such as lower wages and increased education costs.

In order to address these issues, the Department of Community Colleges and Workforce Development will collaborate with Oregon’s seven Local Workforce Investment Boards (LWIBs) and the Oregon Youth Conservation Corps (OYCC) to operate programs providing meaningful work experience and workforce training for persons between the ages of 14 and 24.

HOW ACHIEVED

This policy package will provide work experiences for youth ages 14 to 24 in each of Oregon’s 36 counties, utilizing Oregon’s seven Local Workforce Investment Boards (LWIBs) and the Oregon Youth Conservation Corps (OYCC). The goal of these efforts is to employ a competency based approach to workforce preparation that requires young people to demonstrate mastery of skills along a continuum to be considered college and career ready. This “earn and learn” approach, increasing youth employment rates by providing targeted, subsidized employment coupled with tailored educational assistance, has shown to have long term economic impact on young adults. The program participants will be provided with case management and support services and local boards will collect data and ensure the identification and dissemination of the most promising practices.

Local Workforce Investment Boards - \$9,500,000

Local Workforce Investment Boards (LWIBs) will provide work experiences for youth that will include youth recruitment, preparation and support, recruitment and involvement of employers, matching youth to appropriate worksites, assessing youth progress, program evaluation and modification. Along with worksite experiences, academic offerings may range from occupational skills training to recovery of school credits including recovery of school credits, GED preparation programs, and remediation.

The LWIBs will use these funds to create both a summer employment program and a year-round employment program which will create approximately 2,500 work experiences and jobs annually for young men and women between the ages of 14 and 24. The LWIBs will partner with

local businesses, community colleges, high schools, non-profits, and organized labor to establish these “earn and learn” experiences in high growth, good paying jobs/careers with a particular emphasis on opportunities in STEM related jobs and locally identified Industry Sectors.

Programs will align employer recruitment to the interests of the youth, closely consider data from youth intake and assessments when determining the most appropriate employer and match youth and employers based on their interests and career goals to maximize the potential that may lead to better employment opportunities. At the conclusion of these programs, local partners will offer career planning and/or employment guidance to the youth. Referrals will include postsecondary education, including Career Pathways, assistance with Oregon Opportunity Grant and Federal Financial Aid applications, and placement into unsubsidized employment.

The resources will be distributed by formula to the seven LWIBs using the current Workforce Investment Act (WIA) youth formula. The jobs will pay youth at least the Oregon minimum wage and these local funds will be used to cover wage/fringes, payroll processing, and related participant expenses (including additional case management expenses).

Oregon Youth Conservation Corps (OYCC) Youth Programs - \$2,500,000

OYCC programs build on the strong connections between positive work experiences, work skills, personal responsibility, commitment to education and future employment for Oregon’s youth. Youth gain transferable skills, develop a feeling of worth, become empowered and learn the importance of stewardship and community. OYCC grants funds to local service providers to run youth corps programs. At least 75% of the youth served must be disadvantaged or at-risk youth.

1. Community Stewardship Corps (CSC) School-Year Alternative Education Programs

CSC programs are nontraditional alternative education programs that have an integrated hands-on field component. While some of the current CSC programs will build capacity with an increase in OYCC funding, many need it to remain operating at the status quo. An investment of \$1,237,500 for the biennium would allow OYCC to grant 35 CSC grants for \$25,000 each year. There are currently 15 grants at \$15,000 which is a reduction from last year. The funds would be used for Teacher and Crew Leader salaries, direct program costs and Corpsmember remuneration. The number of youth served would double from 430 to 860 each year.

2. Summer Conservation Corps (SCC)

SCC programs are traditional summer youth employment programs that last from six to eight weeks. OYCC requires that SCC programs pay Corpsmembers at least Oregon’s minimum wage. OYCC granted 33 SCC grants for \$10,000 each for the summer of 2014. An investment of \$1,237,500 for the biennium into this program would allow OYCC to grant 50 grants at \$17,500 each year. The funds would primarily be used for Corpsmember wages with some funds being used for transportation and other direct program costs such as tools, boots, gloves, etc. SCC work hours would increase from approximately 80,000 to 115,000. Youth served could jump from 450 to over 600. Please note that for every \$5,000 in state funds, programs receiving dollars from the USFS can apply for \$15,000 in federal funds.

STAFFING IMPACT

This package requires the following positions within the Department of Community Colleges and Workforce Development:

- 1 FTE, Project Manager 3
- 1 FTE, Education Specialist 2
- 1 FTE, Procurement Contract Specialist 2
- 1 FTE, Administrative Specialist 2

QUANTIFY RESULTS

The Youth Employment Initiative advances the mission of the Department of Community Colleges and Workforce Development by contributing to increased skills and career opportunities for Oregonians. OYCC, and its local partners, have the infrastructure in place to increase capacity and serve more youth. OYCC utilizes a custom electronic reporting system so minimal additional staff time will be needed in the effort to gather data and outcomes and the end of the programming. These programs change lives and additional state funds are needed to ensure that the number of youth currently being served don't join the more than 300,000 Oregonians that don't have a high school diploma or the approximately 27% of youth that are unemployed.

The Youth Employment Initiative package supports CCWD Key Performance Measures (KPM):

KPM #2: At-risk Youth Exit Successfully

KPM #3: Youth Employed Upon Exit

OYCC Community Stewardship Corps program reports include:

- Number of participants involved with the judicial system
- Total instructional hours
- Average Daily Membership (ADM)
- Number of credits earned
- Number of participants pursuing a High School Diploma
- Number of High School Diploma awarded
- Number of participants pursuing GED
- Number of GED's awarded
- Project outcomes
- Scholarship Recommendation Form

OYCC Summer Conservation Corps programs report:

- Number of youth involved with the judicial system
- Number of hours worked
- Number of credits earned
- Educational Environment, Project Outcomes

Additional LWIB areas of evaluation and measurement will be:

- Increase in Work Readiness Skills
- Employment Completion Rate

REVENUE SOURCE:

\$12,000,000 General Fund

GOVERNOR'S RECOMMENDED BUDGET

Recommended as modified.

This package increases the General Fund by \$3 million to restore and expand grant funds for local service providers in all 36 counties to run conservation corps programs . The additional funding will be used to serve additional youth through work experience, job preparation, high school completion, post-secondary certification, apprenticeship and on-the-job training. The package total is \$15,000,000 General Fund.

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Higher Education Coordinating Commission
Pkg: 201 - CCWD: Youth Employment

Cross Reference Name: Youth Conservation Corp
Cross Reference Number: 52500-014-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
General Fund Appropriation	15,000,000	-	-	-	-	-	15,000,000
Total Revenues	\$15,000,000	-	-	-	-	-	\$15,000,000
Personal Services							
Class/Unclass Sal. and Per Diem	422,184	-	-	-	-	-	422,184
Empl. Rel. Bd. Assessments	176	-	-	-	-	-	176
Public Employees' Retire Cont	66,663	-	-	-	-	-	66,663
Pension Obligation Bond	-	-	-	-	-	-	-
Social Security Taxes	32,297	-	-	-	-	-	32,297
Worker's Comp. Assess. (WCD)	276	-	-	-	-	-	276
Mass Transit Tax	2,533	-	-	-	-	-	2,533
Flexible Benefits	122,112	-	-	-	-	-	122,112
Total Personal Services	\$646,241	-	-	-	-	-	\$646,241
Services & Supplies							
Instate Travel	24,968	-	-	-	-	-	24,968
Employee Training	12,206	-	-	-	-	-	12,206
Office Expenses	17,291	-	-	-	-	-	17,291
Telecommunications	13,380	-	-	-	-	-	13,380
State Gov. Service Charges	-	-	-	-	-	-	-
Data Processing	3,861	-	-	-	-	-	3,861
Publicity and Publications	5,351	-	-	-	-	-	5,351
Professional Services	150,000	-	-	-	-	-	150,000
Attorney General	2,880	-	-	-	-	-	2,880

____ Agency Request
2015-17 Biennium

____ Governor's Budget
Page _____

____ Legislatively Adopted
Essential and Policy Package Fiscal Impact Summary - BPR013

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Higher Education Coordinating Commission
 Pkg: 201 - CCWD: Youth Employment

Cross Reference Name: Youth Conservation Corp
 Cross Reference Number: 52500-014-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Services & Supplies							
Employee Recruitment and Develop	1,442	-	-	-	-	-	1,442
Dues and Subscriptions	2,471	-	-	-	-	-	2,471
Facilities Rental and Taxes	28,737	-	-	-	-	-	28,737
Agency Program Related S and S	7,200	-	-	-	-	-	7,200
Other Services and Supplies	19,803	-	-	-	-	-	19,803
Expendable Prop 250 - 5000	9,476	-	-	-	-	-	9,476
Total Services & Supplies	\$299,066	-	-	-	-	-	\$299,066
Special Payments							
Dist to Non-Gov Units	14,054,693	-	-	-	-	-	14,054,693
Total Special Payments	\$14,054,693	-	-	-	-	-	\$14,054,693
Total Expenditures							
Total Expenditures	15,000,000	-	-	-	-	-	15,000,000
Total Expenditures	\$15,000,000	-	-	-	-	-	\$15,000,000
Ending Balance							
Ending Balance	-	-	-	-	-	-	-
Total Ending Balance	-	-	-	-	-	-	-
Total Positions							
Total Positions	-	-	-	-	-	-	4
Total Positions	-	-	-	-	-	-	4

____ Agency Request
 2015-17 Biennium

____ Governor's Budget
 Page _____

____ Legislatively Adopted
 Essential and Policy Package Fiscal Impact Summary - BPR013

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Higher Education Coordinating Commission
 Pkg: 201 - CCWD: Youth Employment

Cross Reference Name: Youth Conservation Corp
 Cross Reference Number: 52500-014-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Total FTE							
Total FTE							4.00
Total FTE	-	-	-	-	-	-	4.00

02/03/15 REPORT NO.: PPDFISCAL
 REPORT: PACKAGE FISCAL IMPACT REPORT
 AGENCY:52500 HIGHER EDUCATION COORD COMM
 SUMMARY XREF:014-00-00 Youth Conservation Corp

DEPT. OF ADMIN. SVCS. -- PPDB PICS SYSTEM

2015-17
 PICS SYSTEM: BUDGET PREPARATION

PAGE 12
 PROD FILE

PACKAGE: 201 - CCWD: Youth Employment

POSITION NUMBER CLASS COMP CLASS NAME	POS CNT	FTE	MOS	STEP	RATE	GF SAL/OPE	OF SAL/OPE	FF SAL/OPE	LF SAL/OPE	AF SAL/OPE
5860057 OA C0108 AA ADMINISTRATIVE SPECIALIST 2	1	1.00	24.00	02	2,873.00	68,952 46,804				68,952 46,804
5860058 OA C0856 AA PROJECT MANAGER 3	1	1.00	24.00	02	5,028.00	120,672 58,926				120,672 58,926
5860059 OA C2301 AA EDUCATION PROGRAM SPECIALIST 2	1	1.00	24.00	02	5,529.00	132,696 61,745				132,696 61,745
5860060 OA C0437 AA PROCUREMENT & CONTRACT SPEC 2	1	1.00	24.00	02	4,161.00	99,864 54,049				99,864 54,049
TOTAL PICS SALARY						422,184				422,184
TOTAL PICS OPE						221,524				221,524
TOTAL PICS PERSONAL SERVICES =	4	4.00	96.00			643,708				643,708

DETAIL OF LOTTERY FUNDS, OTHER FUNDS, AND FEDERAL FUNDS REVENUE

Higher Education Coordinating Commission
2015-17 Biennium

Agency Number: 52500
Cross Reference Number: 52500-014-00-00-00000

<i>Source</i>	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
Other Funds						
Donations	-	-	-	175,000	175,000	-
Other Revenues	-	-	-	300,000	300,000	-
Tsfr From Revenue, Dept of	-	-	-	1,700,000	1,700,000	-
Tsfr From Marine Bd, Or State	-	-	-	103,000	103,000	-
Transfer Out - Intrafund	-	-	-	(153,712)	(153,712)	-
Total Other Funds	-	-	-	\$2,124,288	\$2,124,288	-
Federal Funds						
Federal Funds	-	-	-	1,165,934	1,165,934	-
Total Federal Funds	-	-	-	\$1,165,934	\$1,165,934	-

CCWD DEBT SERVICE

CCWD Debt Service: Description

The 2015-17 Agency Request Budget includes funding for debt service payments on community college capital construction and deferred maintenance projects authorized by the 2005, 2007, 2008, 2009, 2012 and 2013 legislative sessions. The General Fund debt service estimate for Article XI-G bonds totals \$36.6 million. The Lottery Fund debt service estimate totals \$10.4 million.

Bond Sale	Bonds	General Fund Debt Service
Mar-2007	\$25,900,000	\$3,102,658
Oct-2008	\$4,900,000	\$853,655
Apr-2009	\$55,666,250	\$6,937,878
Apr-2011	\$38,733,000	\$4,994,725
Apr-2013	\$8,000,000	\$926,826
Apr-2015	\$70,120,000	\$19,795,750
TOTAL	\$203,319,250	\$36,611,491

Bond Sale	Bonds	Lottery Debt Service
Apr-2009	\$43,862,850	\$7,551,475
Apr-2010	\$10,000,000	\$1,358,257
May-2011	\$3,665,968	\$371,205
Apr-2013	\$9,604,450	\$1,079,302
Jan-2015	\$1,630,000	\$371,205
TOTAL	\$68,763,268	\$10,364,239

GRAND TOTAL	\$272,082,518	\$46,975,731
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CCWD Debt Service: Essential and Policy Packages

Package 060: Technical Adjustments

HB 4018, which passed in the February 2014 Session, moves the Department of Community Colleges and Workforce Development into the Higher Education Coordinating Commission (HECC) effective July 1, 2015. In this package, the Department of Community Colleges and Workforce Development's budget was eliminated and moved into the HECC's budget. In the Governor's Budget, General Fund was reduced by \$1,805,000 to correct a spreadsheet error in Article XI-G principal payments and Lottery Funds were reduced by \$39,152 to capture refinance savings. The amount of funding transferred is \$36,611,491 General Fund Debt Service, \$10,643,048 Lottery Funds Debt Service and the amount of Federal Funds Debt Service is \$1.

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Higher Education Coordinating Commission
Pkg: 060 - Technical Adjustments

Cross Reference Name: CCWD Debt Services
Cross Reference Number: 52500-015-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Beginning Balance							
Beginning Balance Adjustment	-	12,035	-	-	-	-	12,035
Total Beginning Balance	-	\$12,035	-	-	-	-	\$12,035
Revenues							
General Fund Appropriation	36,611,491	-	-	-	-	-	36,611,491
Federal Funds	-	-	-	-	-	1	1
Tsfr From Administrative Svcs	-	10,643,048	-	-	-	-	10,643,048
Total Revenues	\$36,611,491	\$10,643,048	-	-	-	\$1	\$47,254,540
Debt Service							
Principal - Bonds	15,155,000	4,799,520	-	-	-	-	19,954,520
Interest - Bonds	21,456,491	5,855,563	-	-	-	1	27,312,055
Total Debt Service	\$36,611,491	\$10,655,083	-	-	-	\$1	\$47,266,575
Total Expenditures							
Total Expenditures	36,611,491	10,655,083	-	-	-	1	47,266,575
Total Expenditures	\$36,611,491	\$10,655,083	-	-	-	\$1	\$47,266,575
Ending Balance							
Ending Balance	-	-	-	-	-	-	-
Total Ending Balance	-	-	-	-	-	-	-

POLICY PACKAGE 090
2015-17 Budget
Analyst Adjustments

PURPOSE

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.

HOW ACHIEVED

Debt service is reduced by \$3.7 million in principal and \$5.9 million in interest.

STAFFING IMPACT

None.

REVENUE SOURCE

(\$9,600,000) General Fund

GOVERNOR'S RECOMMENDED BUDGET

Recommended as added in the Governor's Budget.

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Higher Education Coordinating Commission
 Pkg: 090 - Analyst Adjustments

Cross Reference Name: CCWD Debt Services
 Cross Reference Number: 52500-015-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
General Fund Appropriation	(9,600,000)	-	-	-	-	-	(9,600,000)
Total Revenues	(\$9,600,000)	-	-	-	-	-	(\$9,600,000)
Special Payments							
Dist to Comm College Districts	-	-	-	-	-	-	-
Total Special Payments	-	-	-	-	-	-	-
Debt Service							
Principal - Bonds	(3,700,000)	-	-	-	-	-	(3,700,000)
Interest - Bonds	(5,900,000)	-	-	-	-	-	(5,900,000)
Total Debt Service	(\$9,600,000)	-	-	-	-	-	(\$9,600,000)
Total Expenditures							
Total Expenditures	(9,600,000)	-	-	-	-	-	(9,600,000)
Total Expenditures	(\$9,600,000)	-	-	-	-	-	(\$9,600,000)
Ending Balance							
Ending Balance	-	-	-	-	-	-	-
Total Ending Balance	-	-	-	-	-	-	-

DETAIL OF LOTTERY FUNDS, OTHER FUNDS, AND FEDERAL FUNDS REVENUE

Higher Education Coordinating Commission
2015-17 Biennium

Agency Number: 52500
Cross Reference Number: 52500-015-00-00-00000

<i>Source</i>	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
Lottery Funds						
Tsfr From Administrative Svcs	-	-	-	10,694,235	10,643,048	-
Total Lottery Funds	-	-	-	\$10,694,235	\$10,643,048	-
Nonlimited Federal Funds						
Federal Funds	-	-	-	1	1	-
Total Nonlimited Federal Funds	-	-	-	\$1	\$1	-

PUBLIC UNIVERSITY SUPPORT FUND

Office of University Academic Strategies
Office of University Budget & Finance

- Student Transitions
- Dual Credit
- Institution Evaluations
- Program Approval

- Budget Development
- Funding Allocations
- Capital

**HECC Executive Director
Principal Executive/Manager H**

Office of University Academic Strategies

Office of University Budget & Finance

Principal Executive/Manager G

Principal Executive/Manager F

Program Approvals

Fiscal Analyst 3
Finance Lead

Operations & Policy Analyst 4

Fiscal Analyst 3

Education Program Specialist 2

Education Program Specialist 2

Positions may be FTE and permanent unless otherwise indicated

Supervisory Position
Lead Work Position
Support Staff Position

Oregon's Public Universities: Overview and Background

Institutional Missions

The needs of the State of Oregon to provide advanced education at the baccalaureate level and beyond is primarily served through the seven public universities whose missions are as follows:

Eastern Oregon University (EOU): EOU guides student inquiry through integrated, high-quality liberal arts and professional programs that lead to responsible and reflective action in a diverse and interconnected world. As an educational, cultural and scholarly center, EOU connects the rural regions of Oregon to a wider world. Our beautiful setting and small size enhance the personal attention our students receive, while partnerships with colleges, universities, agencies and communities add to the educational possibilities of our region and state.

Oregon Institute of Technology (Oregon Tech): Oregon Tech, the only public institute of technology in the Pacific Northwest, offers innovative and rigorous applied degree programs in the areas of engineering, engineering technologies, health technologies, management, and the arts and sciences. To foster student and graduate success, the university provides an intimate, hands-on learning environment, focusing on application of theory to practice. Oregon Tech offers statewide educational opportunities for the emerging needs of Oregon's citizens and provides information and technical expertise to state, national and international constituents.

Oregon State University (OSU): OSU is a comprehensive, public, research-extensive university serving as the state's land-, sea-, space- and sun-grant institution - one of only two universities with such designation in the country - and promotes economic, social, cultural and environmental progress for people across Oregon, the nation and the world through our graduates, research, scholarship, outreach, and engagement. As a land grant institution committed to teaching, research, and outreach and engagement, Oregon State University promotes economic, social, cultural and environmental progress for the people of Oregon, the nation and the world. This mission is achieved by producing graduates competitive in the global economy, supporting a continuous search for new knowledge and solutions, and maintaining a rigorous focus on academic excellence, particularly in the three Signature Areas: Advancing the Science of Sustainable Earth Ecosystems; Improving Human Health and Wellness; and Promoting Economic Growth and Social Progress

Oregon State University-Cascades Campus (OSU-Cascades): OSU-Cascades serves the students and communities of Central Oregon, the northwest and beyond by providing a quality, affordable and accessible university education for junior, senior and graduate level students, enabling them to lead more informed lives, better serve their communities and enhance their careers.

Portland State University (PSU): The mission of PSU is to enhance the intellectual, social, cultural and economic qualities of urban life by providing access throughout the life span to a quality liberal education for undergraduates and an appropriate array of professional and graduate programs especially relevant to metropolitan areas. The University conducts research and community service that support a high quality educational environment and reflect issues important to the region. It actively promotes the development of a network of educational institutions to serve the community.

Southern Oregon University (SOU): SOU is an inclusive campus community dedicated to student success, intellectual growth, and responsible global citizenship. Southern Oregon University is committed to a challenging and practical liberal arts education centered on student learning, accessibility, and civic engagement; academic programs, partnerships, public service, outreach, sustainable practices, and economic development activities that address regional needs such as health and human services, business, and education; and outstanding programs that draw on and enrich our unique arts community and bioregion.

The University of Oregon (UO): The UO is a comprehensive research university that serves its students and the people of Oregon, the nation, and the world through the creation and transfer of knowledge in the liberal arts, the natural and social sciences, and the professions. It is the Association of American Universities flagship institution of OUS.

Western Oregon University (WOU): WOU offers exemplary undergraduate and graduate programs in a supportive and rigorous learning environment. Oregon's oldest public university, WOU works to ensure the success of students and the advancement of knowledge as a service to Oregon and the region. The University works in partnership with PK-12 schools, community colleges and other institutions of higher education, government, and local and global communities. The University is a comprehensive public university, operating for the public good, which; provides effective learning opportunities that prepare students for a fulfilling life in a global society; supports an accessible and diverse campus community; and, improves continuously our education, financial and environmental sustainability.

Preserving the Public Good and the Promise of a Better Life

Education is not just about improving personal income and job security. Higher levels of education are associated with better health, greater family stability, less need for social services, lower likelihood of involvement with the criminal justice system, and increased civic participation, among other positive outcomes¹. All are benefits not only to the educated individual and his or her family, but also help support healthy, thriving communities across Oregon. By investing in individuals and education today, the State creates resources for tomorrow. Raising education levels in Oregon will have numerous multiplier benefits for Oregon, including helping to stabilize the state's revenues and break out of the bust-boom-bust cycles that Oregon has experienced in recent years.

Oregon public universities are being challenged to preserve and enhance, attainment, access and affordability. Attainment is one of the primary measures of the 40-40-20 goals and must be maximized to ensure Oregonians are equipped for today's job market and changing economic times. It is the right measure focused squarely on student success and degrees as a pathway to a better future for Oregon and its citizenry.

Access to Oregon's public universities is increasingly challenged by limited funding, changing demographics, and limited availability of higher education programs in certain parts of the state. Firstly, expanding access for underserved populations and regions must be a priority; we must do a better job of reaching out and supporting the growing Latino populations and other underserved communities of color who comprise a growing percent of the population in the state's public school system. Achieving the 40-40-20 goals include increasing the numbers of high school graduates going on to attend college, which is inextricably linked to student success in early childhood education and in K-12. Second, we need resources to bring middle and high school students to campuses and the correct incentives to smooth the transition from one education sector to the next. Third,

¹ Education Pays 2010, The Benefits of Higher Education for Individuals and Society. <http://www.collegeboard.org/education-pays-2010>.

we must enable and incentivize institutions to focus on strong support service, advising, develop early alert systems to catch underperforming students before they fail or drop out, create systems that give students the ability to track their degree progress, create the support systems necessary to help students stay in college, and provide time for meaningful interactions between students and faculty members, and other recognized best practices to increase a student's likelihood of degree attainment. Finally, we must offer ample opportunities for students to work while they attend school, as this can assist them in paying for college as well as providing real-world opportunities to connect with mentors in the community and enhance the workplace readiness of graduates.

Affordability has multiple dimensions, each of which is very important to student success and the delivery of higher education. First, better state funding per student is needed as this is the largest driver of public university tuition increases today. As state funding declines, tuition goes up, increasing student costs for tuition and borrowing as the state investment decreases. There is a direct relationship between state investment and tuition rates. Higher education in Oregon has now reached the critical tipping point: as tuition increases, more and more students – particularly the most underserved – will be unable to afford to attend, and unable to access a postsecondary education. Second, tuition increases must be moderated. Public universities have shown a willingness to do their part, but this is predicated on the receipt of adequate state funding for operating, capital and student aid. Finally, costs must be better managed at our institutions, and more efficient delivery models must be added to the program mix to achieve the maximum return on every dollar invested. This was the focus of Senate Bill 242 approved by the Legislature in 2011-13 and these reforms must be aggressively pursued and implemented. Senate Bill 270 governance reform further unlocks the potential of universities to be nimble and responsive to their students' needs, to deploy resources thoughtfully and to access donor and philanthropic resources otherwise unavailable. The combination of operational autonomy, local governance and a comprehensive central coordinating authority lays the groundwork for a profound shift in education dynamics within Oregon. Increased investments will enhance this new structure's ability to focus on what really matters for the success of Oregon; today's and tomorrow's students.

To be successful, the State needs to create additional capacity at public universities across the state by providing adequate, stable funding for operations, capital and student aid. Capacity includes bonding limitation for capital projects, and funding to repair, maintain, enhance and expand our campuses to meet the access needs of Oregon students. Capital projects and funding also ensure the safety of our students, employees, visitors and surrounding communities as we work towards seismic readiness, and ensure that classrooms, labs and other instructional spaces meet the technology and learning needs of today's and tomorrow's students who need to be ready on day-one to succeed in the constantly changing workforce.

Oregon's public universities need more diversified revenues that maximize investment earnings, utilize state matching programs to leverage private investments, and generate additional forms of support for the operation of the campuses. In addition, a renewed focus on efficiencies and prioritization of expenditures must address limited state and institutional resources and the "new normal" in higher education funding. The comprehensive governance reform including the establishment of a true "tight-loose" model and aligning funding incentives to maximize access and completion are key to these efforts.

More and Better Jobs for Oregonians

Oregon's public universities play a major role in developing the workforce of the future and have a major, positive impact on Oregon's economy. Oregon's university graduates provide a highly-skilled, homegrown workforce who can garner higher salaries, make Oregon an attractive environment for companies, and provide a stronger state tax revenue base to support state needs and priorities. The seven public universities provide

research and business acceleration opportunities to grow our own new businesses and create jobs for Oregonians. Universities also provide key networking and advice, and work with multiple public and private organizations to leverage opportunities for local communities as well as the state as a whole. Faculty collaborations, student involvement and sharing resources with emerging companies build capacity for technology development and transfer, as well as community development. The Regional Solutions teams have discovered the potential that universities offer through some of their early work around the state in strengthening the economic base of these regions through collaborative enterprise projects. Universities are also powerful economic engines in their own right as diverse employers, purchasers of goods and services, and as developers of real estate.

Continuing to invest in the Engineering and Technology Industry Council (ETIC) is a critical component of economic growth as it addresses the underserved needs of industry that will create job opportunities for Oregonians. Related to this is the need for a laser-like focus on increasing the number of graduates in science, technology, engineering, math (STEM) and healthcare professions as these fields support top Oregon industries, offer significant potential for job growth, and garner high-wage jobs for Oregonians. This begins with ensuring that more students are in the K-12 STEM pipeline, that we have the faculty and program capacity in the universities to serve the student and industry demand, and that there are more qualified teachers trained in these areas who can encourage students to pursue these fields and support their academic growth.

The HECC will continue to be an active partner with the OEIB's STEM Council to develop and extend a comprehensive statewide PK-20 STEM strategy that ensures students at all educational levels have the requisite skills to meet the needs of the 21st century economy. To achieve this, Oregon must increase enrollment and degrees through greater program capacity; align undergraduate and graduate programs connected to research and industries; and grow PK-12 outreach to increase the number and diversity of young people motivated and academically prepared to pursue engineering and applied science degrees in Oregon.

Why Invest in Oregon Public Universities?

Never has education been more important to the lives and well-being of Oregonians and our communities. Education cements shared state and community values, enriches our culture, and expands the horizons of individuals and of our society. Education advances family life, civic stability, and democratic ideals. It provides opportunity for all, no matter their ethnicity, home language, ability or disability, or family income. As knowledge and innovation become the prime capital in this global economy, education increasingly determines the fortunes of individuals, communities, states and nations. To revitalize Oregon's economy, our workforce needs higher levels of knowledge and skills than ever before. Oregon is falling behind, and now trails many states and developed nations in achievement and completion.

The value-adding benefits from an investment in Oregon's public universities include:

- A populace better prepared for the evolving 21st century work world, with higher per capita incomes and lower unemployment rates.
- An inclusive educational system in which all qualified Oregonians can partake of a university education and the benefits that accrue from it.
- A more accessible and affordable public higher education institutions that are tightly integrated with their educational partners and focused on student success and degree attainment as its primary measure.
- A more robust and better distributed economy that provides all Oregonians family wage job opportunities no matter where they choose to reside in the state.
- Leading edge research and innovation activities that create job opportunities for Oregonians and competitive businesses around the state.
- Efficient campuses that are good partners with other educational providers, financially viable and focused on the needs of their various markets and constituencies around the state.

The 2015-2017 university budget proposed by the HECC will take the first step to enable Oregon to move forward on our collective goals to enhance our economy and shared community. However, to move closer to achieving the benefits outlined above, which accrue to all Oregonians, significant, sustained and intentional reinvestment in the seven public universities must occur. This reinvestment in higher education by the State of Oregon along with the reforms in the incentives embedded within the funding allocation model will set the foundation for the advancement Oregon's people and economy.

Criteria for Budget Development for State Support for Public Universities

The HECC developed a budgeting priority framework organized around the key priorities of productivity and affordability, with a focus also on capital investment priorities in the context of promoting educational quality and equity for all Oregon students. The HECC's budget requests for public universities are structured around these three principles as follows:

- Productivity

The Commission recognized that in order to reach the State's ambitious goals for higher education, public universities must more efficiently utilize the resources available to them. Despite being particularly productive, given the relative paucity of state and tuition resources available, Oregon public universities will need to retain and graduate larger portions of their incoming classes and transfer students, and do so at an accelerating pace. All seven institutions, the Oregon Student Association, the Inter-institutional Faculty Senate and the HECC are working collaboratively to develop a funding allocation model to distribute state investment through a model focused on the outcomes delivered by the universities, which will create the proper framework to reward institutions for meaningful and effective approaches to student success and meeting the completion goals of the State. At the same time, the HECC recognizes that aligning incentives will be necessary, but not sufficient condition to reach 40-40-20. Additional resources will be necessary to make up for years of systematic state disinvestment in higher education in both an absolute and per-student basis. This has left the institutions in dire states of resource constraint and in many cases in fragile financial condition which inhibits their ability to invest in students. Without a re-investment by the State, demonstrable gains in productivity cannot be reasonably expected.

- Capacity

After years of dramatic growth by public universities, and decades of systematic disinvestment by the State the physical and financial capacity of the seven public universities is diminished. Further, to meet the State's ambitious 40-40-20 educational attainment goals the refurbishment of current and the addition of new capacity will be required in order to provide the facilities necessary to teach today's student and tomorrow's high skilled worker. Capacity investments include capital construction to support the institution's physical space needs focusing on Education & General (E&G) space, the refurbishment and extension of current assets and the investment in new buildings meeting the demands of 21st century teaching, learning and research. Capacity investments also include providing the state operating support necessary for the universities to invest in their faculty, staff, and other needs to better serve students, in and out of classrooms and laboratories.

- Affordability

The persistent disinvestment by the State in the seven public universities has forced the institutions at a time of growing enrollment to seek necessary operating revenue through increased tuition. State investments and tuition levels are the two major forces in a simple budget hydraulic; by decreasing allocations, institutions have little option but to increase tuition. This dynamic causes significant concern to students, parents and policymakers, as many academically capable students are simply priced out of a higher education. Recognizing there will not be sufficient resources available to lower tuition rates across the board, the Commission has prioritized targeted investments in meeting the affordability for the highest-need students.

Oregon's Public Universities: Environmental Factors

Demographic Trends

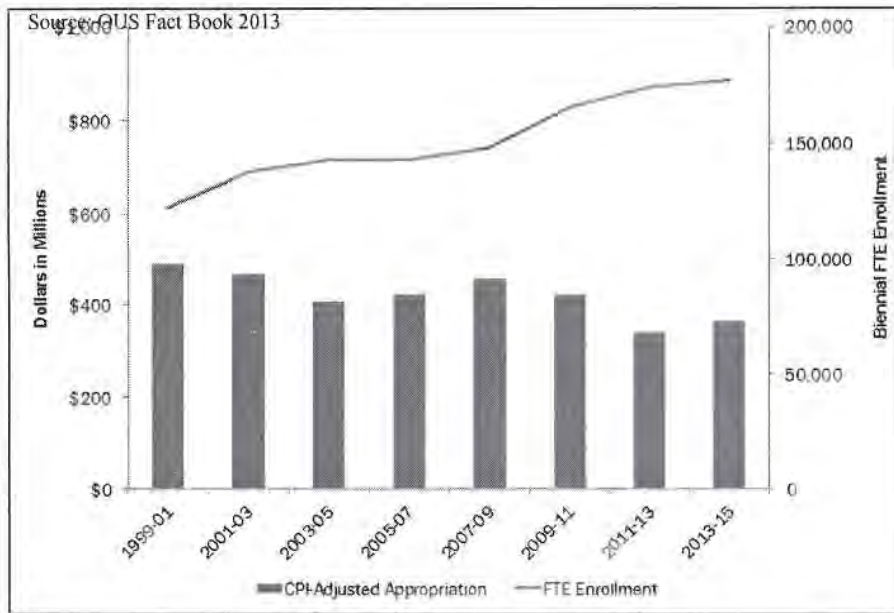
A convergence of demographic factors challenge Oregon's educational system statewide. The largest youth population growth is among the most economically challenged and underserved population with the lowest levels of high school completion and college-going rates. Furthermore, Oregon is predicted to have one of the largest percentage of elderly in the United States by 2025². These trends could result in an increasing Oregon population of lower educated, lower skilled workers, unable to support the diverse needs of business and industry in the state, and the growing needs of an increasing population of older Oregonians.

The racial/ethnic composition of Oregon's public high school graduating classes will continue to show diversification over the coming decade and beyond. In 1994-95, White non-Hispanic graduates accounted for 89.8 percent of the graduates from public high schools. A decade later, that proportion had dropped to 82.5 percent. The next decade will see further declines in the share of public high school graduates who are non-Hispanic, with projections indicating the ratio could drop to 66.8 percent by 2014-15. Underrepresented student populations tend to have lower income, be the first in their families to attend college, and have historically graduated at lower overall rates than their white peers. As underrepresented students become a growing part of our university population the need for additional services to ensure these students have a real chance at being successful in college grow. This reality only increases the pressure on state funding and tuition to provide sufficient resources for universities in order to ensure ladders of opportunity exist for all Oregonians. If the postsecondary institutions are not able to get ahead of this demographic shift, Oregon runs the risk of creating a racially and socio-economically stratified society with little social mobility and little hope for those not born into privileged positions.

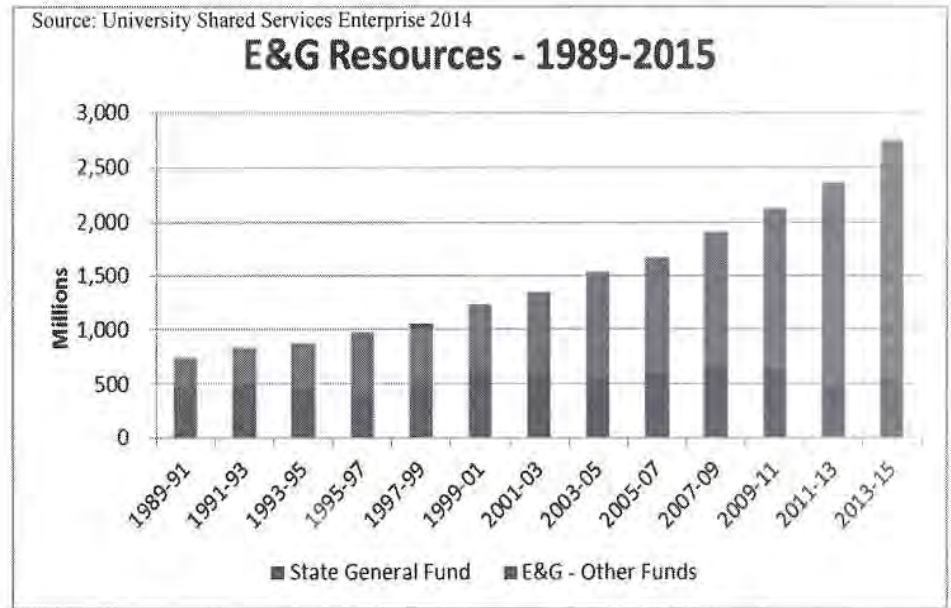
Historical Funding and Enrollment Trends

Over the last decade, the financial situation of the seven public universities and the former Oregon University System has been dominated by reductions in state funding and large increases in tuition revenues to compensate for the losses. Although tuition has been limited in each past six biennia, there has been a continual shift of the costs away from the state and onto students. This is a national trend that is resulting in students graduating, or worse dropping out, with increasingly high and untenable debt burdens. The table below shows the decreases in state General Fund appropriations in nominal dollars and in terms of the percentage of overall funding, as well as the corresponding increase in Other Education & General Funds, comprised mainly of tuition and fee revenues.

² Sources: (1) Portland State University, Population Research Center; (2) Oregon Office of Economic Analysis, population forecast April 2004; (3) U.S. Census Bureau, *Population Paper Listing #47*.



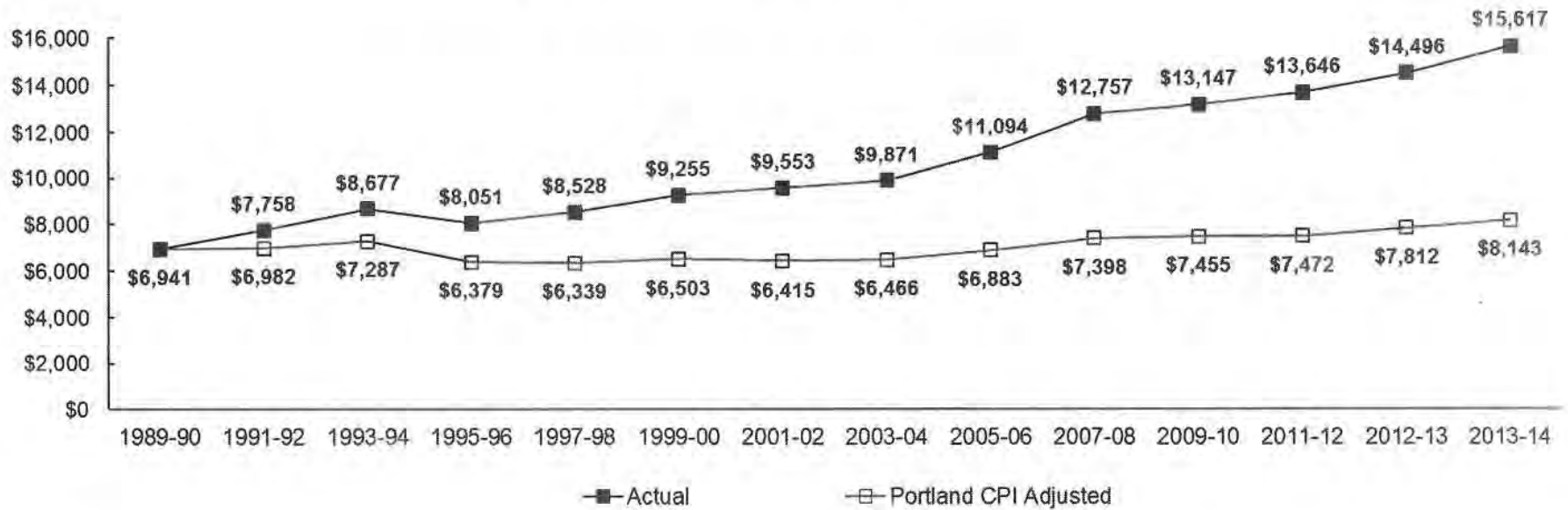
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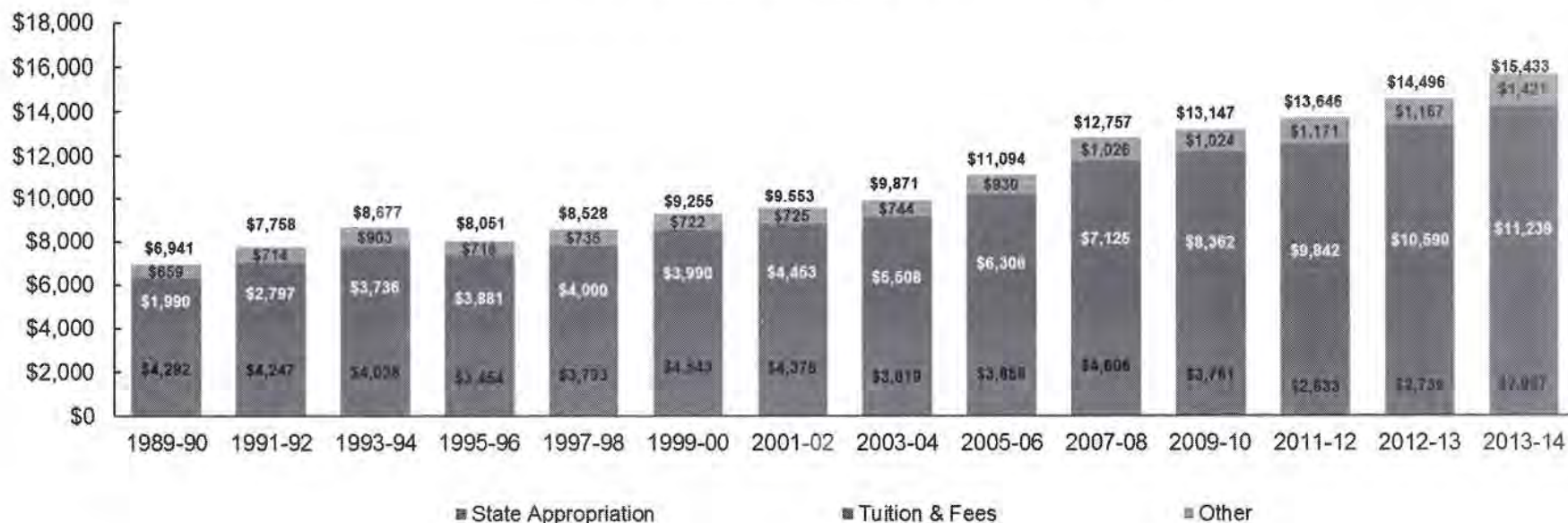
the early 1990s Oregon resident public university students paid approximately one-third of the cost of their education while the state provided two-thirds; these ratios are effectively reversed today. During the past twenty years, the state has systematically and consistently disinvested in its public universities on both an absolute and per student basis, while costs have continued to increase, much of which is due to faster than inflation growth in employee expenses such as medical and retirement benefits. The sustained downward trajectory in state investment in higher education is not merely relative to the total cost of higher education, but a significant reduction in the proportion of total Oregon General Fund spending. In the policy statement which matters most, the provisioning of resources, the state has chosen to not invest in higher education. Despite the cost shift from the State to students, the seven public universities have grown significantly and strive to remain accessible and affordable to all qualified Oregonians. It is, however, difficult to contemplate a credible path to reaching the State’s ambitious educational attainment goals if this trend does not reverse itself.

The following charts show revenue per FTE student from 1990 through 2014 for the state’s public universities. The first depicts total revenues per student in actual and inflation-adjusted terms; the second illustrates non-inflation-adjusted total revenues per student by component (tuition, state appropriation, other).

Total Revenue per Student, Actual and Inflation-Adjusted



Components of Public University Revenue per Student

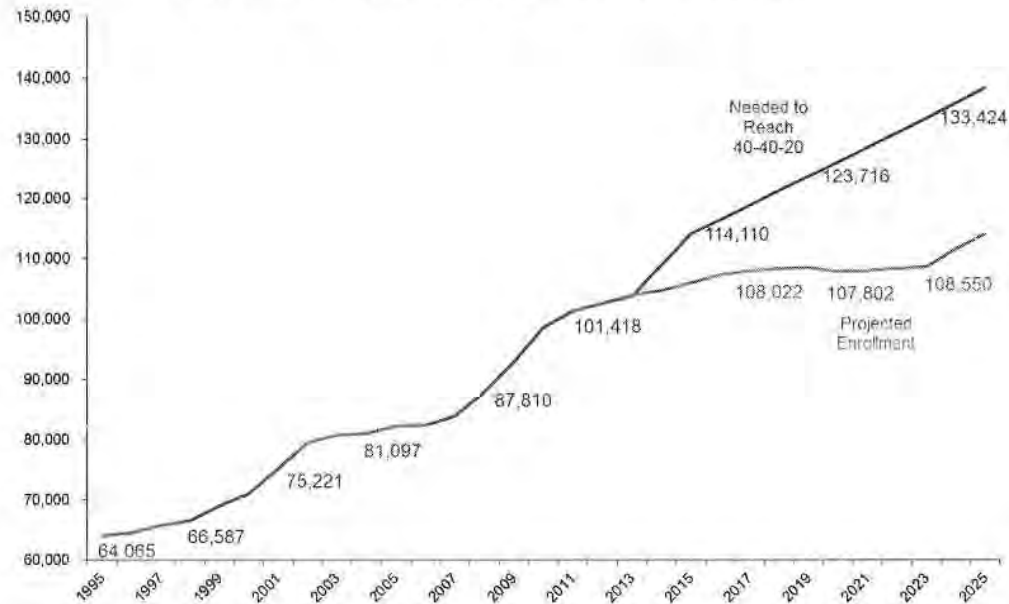


Benefit Costs

Health and retirement rates are some of the highest (as a percent of salary) in the country and PEBB health rate increases have exceeded inflation for over a decade. Compounding the challenge is that employee benefit programs are mandated by the state and remain largely outside of the public universities’ control. Oregon must additionally compete with other higher education institutions across the country for talented teaching and research faculty. Much of this competition is focused on salaries where Oregon universities continue to rank near the bottom nationally and are typically 80-90% of peer averages. Due to legislative limitations on tuition increases and the current personnel cost structure, the universities are heading toward an unsustainable financial position due to rising personnel costs and limited revenue. Two institutions are in particularly dire straits, and given likely future enrollment declines the financial positions of others may also be imperiled. Oregon’s public universities will not be able to indefinitely rely on students to fill the cost of education funding gap caused by declining state support – and it would be a stark reversal of history to burden the next generation instead of investing in their, and our, collective future.

Twenty years ago the State paid approximately two-thirds of the cost of higher education and students paid the other approximately one-third; today, students pay approximately two-thirds of the cost and the State pays approximately one-third. Without a rebalancing of this ratio, the very students we need to fulfill Oregon’s workforce needs will face a cost barrier that many will not be able to overcome. As state funding has declined, student enrollment has increased across the public universities, resulting in dramatic decreases in state funding per student.

**OUS Fall End of Term Headcount
Actual 1995 to 2013, Projected 2014 to 2028**



Enrollment increases over the last decade coupled with the decline in state funding per student has led to tuition increases faced by Oregon students. With the end of the great recession, enrollment has begun to level off. However, if Oregon is to proceed unabated towards its 40-40-20 goal, increased resources will be necessary to enable institutions to invest in student support services to increase degree production during a period of declining enrollment. Simply stated, universities will be required to graduate a much higher proportion of their students than they currently do. The HECC, in consultation with the universities and other stakeholders, is in the process of developing a new and innovative budget allocation model designed to create incentives for institutions to see students through to a degree in less time and with more support. However, without increased support from the State General Fund to complement the additional operational flexibility granted to the universities through the recent changes in governance, the universities will be challenged to maintain affordability while serving the educational needs of an ever growing and increasingly diverse student population.

Higher education in Oregon has now reached the critical tipping point: as tuition increases, more and more students – particularly the most underserved – will be unable to afford to attend, and thus unable to access and complete a college education. Significant and sustained increases in state general fund resources in institutional support, need-based aid and the alignment of incentives will be necessary to adjust the achievement trajectory of Oregonians up to reach the 40-40-20 goal.

Oregon's Public Universities: Initiatives and Accomplishments

Implementation of Senate Bill 270 (2013) and HB 4018 (2014)

SB 270 (2013) established governing boards for the University of Oregon and Portland State University, and permitted Oregon State University to choose establish an institutional board on identical terms and conditions. All three institutional came into full effect on July 1, 2014, severing the governance ties between their institutions and the State Board of Higher Education (SBHE). In addition, HB 4018 (2014) granted the SBHE the ability to establish institutional boards for the technical and regional universities, which the SBHE approved in April of 2014. Those four institutional boards will become fully effective July 1, 2015, completing the transformation of Oregon's public university system from a single legal entity governed and coordinated by a single board to seven legal entities governed by separate boards and coordinated by the HECC. Under HB 4018, the SBHE chose to establish a set of conditions and a process for enhanced oversight by the HECC to the governing boards of Southern Oregon University and Eastern Oregon University, while the governing boards of Western Oregon University and Oregon Institute of Technology will operate under identical terms to those for UO, PSU, and OSU.

SB 270 enables the institutions to issue revenue bonds, which are supported by revenue streams pledged by sponsoring institution.

Continuing Implementation of Senate Bill 242

SB 242 redefined the Oregon University System (OUS) as a public university system, rather than a state agency, subsequent legislation to grant individual institutions independent governing boards retain the wide ranging autonomy granted by SB 242. The change allows the institutions more authority, accountability, and ability to manage their operations and responsibilities for the benefit of students and Oregonians.

Oregon's Public Universities: Annual Performance Progress Report for FY 2013-14

The 2014 OUS Annual Performance Progress Report is scheduled for completion on September 1, 2014. The 2013 OUS Annual Performance Progress Report is available at:

http://www.oregon.gov/transparency/docs/2013/Agency%20Performance%20Progress%20Reports_KPM's/APPR's%20for%20Fiscal%20Year%202013/Oregon%20University%20System%202013Appr.pdf

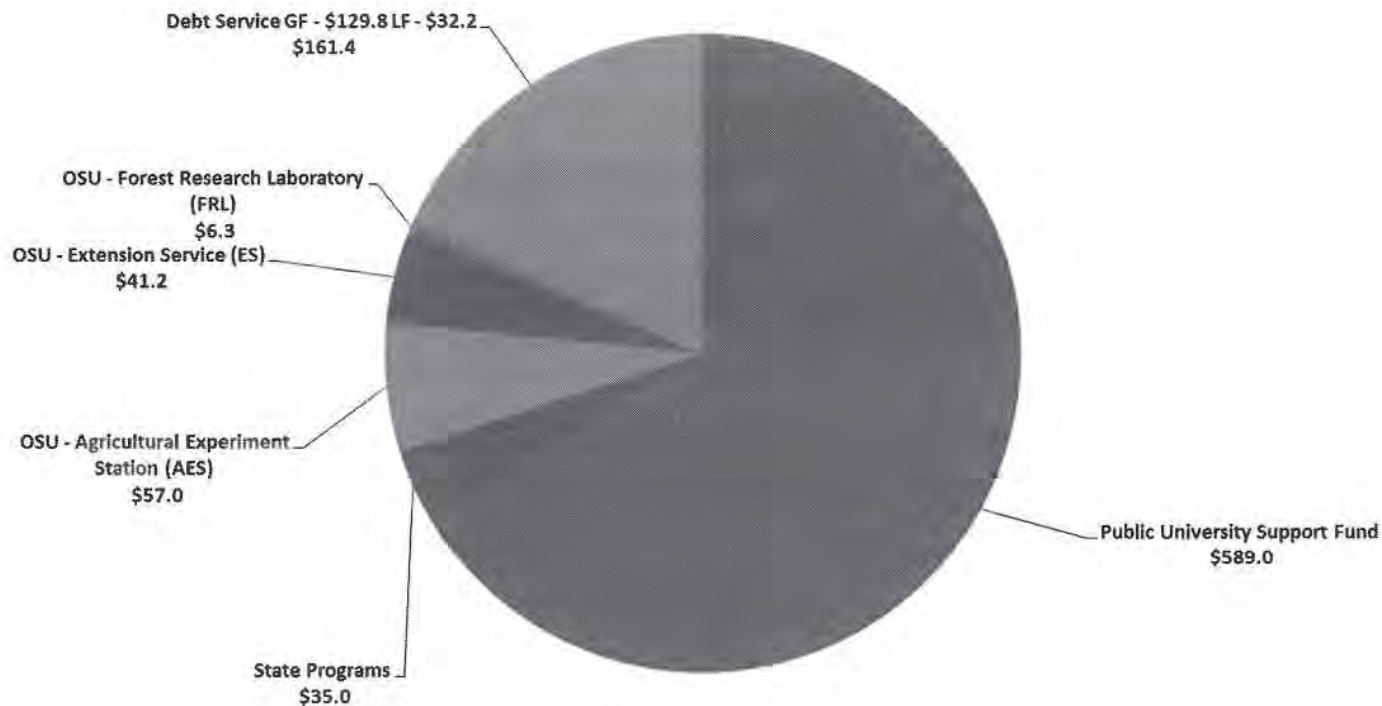
Prior reports are available at:

<http://www.ous.edu/factreport/mp/state>.

Public University Support Fund: Description

As shown in the chart below, the Public University Support Fund (PUSF) is the primary vehicle for state investment in Oregon’s seven public universities. The HECC is responsible for allocating the PUSF to public universities based on formula, with special “line items” for certain programs and functions.

2015-17 Governor's Recommended Budeget Total = \$894.9 (in millions)*



*Budget reflects General and Lottery Funds. Lottery funds are included in Debt Service account only. The 2011 Legislative Assembly eliminated (through SB 242) the need for OUS request other funds expenditure limitation. Therefore, starting 2013-2015 the OUS and subsequent public university biennial budgets exclude Other Funds and Other Funds Non-Limited Budget. Consequently the Capital Construction budget is no longer included in this graphic but will still require bond authority and will be included in the bond bill. PUSF funding include technical adjustment.

The HECC, 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. This effort builds on the Governor’s “tight-loose” concept; the HECC creates a framework of incentives that leverage state investment with institutional resources and energy while the institutions maintain autonomy to deploy resources and to focus on what they know best – the needs of their students to meet Oregon’s ambitious 40-40-20 attainment goal. The technical workgroup tasked with constructing a funding model recommendation to the HECC staff has the following charge:

“By the end of 2014, the Outcomes-Based Funding (OBF) Technical Workgroup will develop a new model for the allocation of the state’s investment in its comprehensive public universities, with implementation to begin during the 2015-17 biennium. The allocation model will be designed to incentivize outcomes that help meet the state’s ambitious 40-40-20 goal. Particular emphasis will be placed on supporting access and completion for Oregon resident students from underrepresented populations and in particular high value areas of study. The group will recommend a phase-in period that is aggressive yet allows sufficient time for institutions to respond effectively and appropriately to a new approach to state investment.”

This model will comport with the following principles:

- *The allocation model will reflect the principles and priorities embedded in the HECC Strategic Plan and the OEIB Equity Lens, including support for access and completion of Oregon resident students with a particular emphasis on socio-economically disadvantaged, first generation, diverse and underserved populations and graduates in high-demand and high-return fields key to Oregon’s economic future;*
- *The allocation model, once fully implemented, will include all formula-based state funding;*
- *Clarity and simplicity will be maintained in the development of an allocation model;*
- *The allocation model will recognize and reward differentiation in institutional mission and scope;*
- *The allocation model will use data that is clearly defined and currently available;*
- *The allocation model will be phased-in, starting with the 2015-17 biennium.*

For historical context the following areas have been funded in the Oregon University System by the PUSF:

Enrollment Based Funding

Enrollment Funding

The Resource Allocation Model (RAM) uses course CIP codes (Classification of Instructional Programs) as defined by the National Center for Education Statistics to assign values by discipline. Funding values are assigned to a cell matrix that uses education levels (undergraduate, masters/professional, and doctoral) and cost of instruction levels (low, medium, and high). The matrix originally used nineteen cells, but in 2011-12 six additional cells were added to reflect priority graduate level funding for student FTE in certain fields of study deemed important to Oregon’s economy based on the Governor’s direction in the 2011-2013 budget. The fields of study include: Engineering and Engineering-related Technology; Education; Mathematics; Computer Sciences; Biological Sciences and Life Sciences, Agricultural Sciences, Science Technologies, Physical Sciences; Health Professions and related sciences; Veterinary Medicine; and Pharmacy. Each cell represents the average state share of cost for one FTE student. The number of student FTE in each cell drives the projected state revenue needed to fund programs.

Engineering Technology Undergraduates - This targeted funding supplements the undergraduate cell funding per student FTE in recognition of the higher program costs of this high demand discipline. Funding is determined by multiplying the calculated rate by FTE per campus in CIP 15. FTE was fully renormalized at 100% at the start of the 2011-13 biennium. The funding is distributed to OIT and PSU based on student FTE.

Engineering Graduates

This category provides targeted funding supplemental to graduate cell funding per student FTE for this high-demand discipline due to its extraordinary program costs. Funding is determined by multiplying the calculated rate by FTE per campus in CIP 14. FTE was fully renormalized at 100% at the start of the 2011-13 biennium. The funding is distributed to OIT, OSU and PSU based on student FTE.

Regional University Support Adjustment

For 2013-15, the Regional University Support Adjustment provides state support of \$601 per FTE, for all FTE below 7,500. The OSU-Cascades rate per FTE is equal to 60 percent of the other regional universities (\$360/FTE). Beginning in 2011-13, FTE was fully renormalized to 100% enrollment numbers.

Collaborative OUS Nursing Program

Funding is provided to support EOU, OIT, SOU, and WOU for hosting OHSU nursing students. OHSU receives the tuition dollars for the nursing courses taught on the regional campuses. This supplement supports the cost of providing common services to the students. The rate for 2013-15 is \$692 per FTE times 2011-12 FTE.

Regional Funding

Regional support funds for retrenchment, retention and graduation, and underpinning were implemented in 2007-09 as a result of legislative funding and SBHE direction to support the financial stability and provide incentives for retention and graduation at the regional campuses. The retention and graduation component was introduced to provide resources and incentives for campuses to develop and begin implementing plans to achieve improvements with the intention to move towards allocation based on actual improvements achieved.

Continuation of 2011-13 Regional Support

The Governor and legislature's budgets for 2011-13 both included an additional \$6 million of support for regional campuses, and this supplemental allocation has been continued.

Statewide Access

Statewide Access provides additional state support in recognition of the technology education at OIT. The original allocation was made in 2001-03 and held constant for four years. Beginning in 2005-07 this program was subject to inflation and legislative adjustments.

Regional Access

This program provides core support for regional institutions with small enrollment bases to ensure geographic access to public higher education for all Oregonians. The original allocation was made in 2001-03 and held constant for four years. Beginning in 2005-07 this program was subject to inflation and legislative adjustments.

Research

Sponsored Research

This program provides support for research as an incentive to attract additional sponsored research to the campuses. Support levels were calculated in 1996-97 based on four percent of sponsored research expenditures. Due to insufficient funding, all future biennial funding levels have been calculated on this base year with adjustments for inflation and legislative adjustments.

Faculty Salaries - Research

This program provides additional research support to the institutions on the basis of instructional faculty salary. Funding was originally calculated at three percent of faculty salaries for OSU, PSU, and UO; and two percent of faculty salaries for EOU, OIT, SOU, and WOU. Due to insufficient funding, all future biennial funding levels have been calculated on the base year of 1996-97 with adjustments for inflation and legislative adjustments.

Other Institutes & Programs

Hosting of Regional Solutions Centers

Beginning in FY2013, this program provides support to those universities (EOU, OSU-Cascades, PSU, and UO) that offered to house the Governor's Regional Solutions Centers on their campus and is intended to offset administrative and space costs associated with hosting these offices.

Oregon Biodiversity Information Center at PSU

The Oregon Biodiversity Information Center (ORBIC), previously the Natural Heritage program, was moved from the Campus Public Services Programs (CPSP) group effective with the FY2014 budget. This program is one of the three main programs of the Institute for Natural Resources (INR) – Portland. INR – Portland is part of the main Institute for Natural Resources based on Oregon State University. ORBIC's main function is to maintain, develop and distribute biodiversity information in Oregon.

NEW (National Education for Women) Leadership Oregon Program at PSU

The National Education for Women (NEW) Leadership Oregon program is an award-winning women's leadership development program housed at the Center for Women's Leadership at Portland State University (PSU). NEW Leadership Oregon's goal is to develop an inclusive women-centered leadership program that will educate and encourage outstanding college women to develop career paths toward leadership and public service.

Health Professions Programs

Funding is provided to increase nursing pre-requisite courses for the Oregon Consortium for Nursing Education (OCNE) program and to expand the OIT health professions programs. The program funds are managed by OIT and distributed to the various campuses to support specific program objectives.

Rural Access at EOU

This program seeks to create, develop, and encourage a college-going culture in rural Oregon to increase the percentage of high school graduates attending college by 2015 to the state average, resulting in an increased investment in economic development in the region and an increased regional and state tax base.

Veterinary Diagnostic Laboratory at OSU

The Veterinary Diagnostic Laboratory is a public-supported facility providing a full range of animal disease diagnostic services to veterinarians, livestock producers, pet owners, and biomedical researchers. In addition to diagnostic services, the Laboratory shares in the training of future veterinarians through instruction of veterinary medical students in the practice of diagnostic medicine.

Building Maintenance - Statewide Public Service Facilities at OSU

This program provides funds for OSU to operate and maintain Statewide Public Service facilities (related to AES, ES and FRL) on its Corvallis campus.

Southwestern Oregon University Center – Eastern Oregon University (EOU)

The Southwestern Oregon University Center (SOUC) began as an Oregon University System (OUS)/community college collaboration to offer a selection of undergraduate and graduate degree programs on the campus of Southwestern Oregon Community College (SWOCC) in Coos Bay. The collaboration allows students the opportunity to obtain a degree from an Oregon university while living in Coos Bay. The University Center provides advising for the all of Oregon's state universities and on-site representatives from EOU and Linfield College. Management of SOUC was moved from the Chancellor's Office to EOU in 2004-05.

OCATE/Engineering at PSU

The Oregon State Board of Higher Education formed OCATE in April 1985 with \$1 million from state lottery funds. OCATE offered programs in engineering education in partnership with Oregon universities. Management of OCATE was moved from the Chancellor's Office to PSU in the mid 2000's. Funding for these services was subsequently provided to PSU as a targeted program. Currently, funding enables employees of the high technology economic sector of Washington County to take graduate courses from Portland State University's Maseeh College of Engineering and Computer Science.

Oregon Wide-Area Education Network at UO

The Oregon Wide-Area Education Network (OWEN) is a collaboration of three state computer networks to realize cost savings by sharing bandwidth and access to Internet providers and is hosted at UO. The three networks include the OUS NERO network, the Oregon Department of Administrative Services (DAS) network, and OPEN, the state's K-12 network. NERO acts as the network service provider for OWEN. OWEN provides broadband intrastate services among participants and redundant broadband access to commercial Internet providers. The network provides online access to courses, research materials and other educational services.

Information Technology Fifth Site at OSU

The Fifth Site provides vital technology-based enterprise services to—and in cooperation with—a variety of partners including the OUS regional universities (EOU, OIT, SOU, WOU) and the Chancellor's Office (collectively referred to as the fifth site). Additionally, Fifth Site offers peripheral services to the major public universities (OSU, PSU, and UO). The 5th site is administered by the Enterprise Computing Services (ECS) at OSU. Management of IT 5th Site was moved from the Chancellor's Office to OSU in 2004-05.

Chancellor's Office

The Chancellor's Office (CO) supports carrying out the Oregon State Board of Higher Education's (the Board's) statewide goals and initiatives for the benefit of Oregon and Oregonians, as well as implementing legislatively identified and required fiduciary, compliance, and other duties. The CO provides support for the Board and coordination for campus activities to ensure that the State and its citizenry receive maximum benefit and services

from its public higher education institutions. State General Fund for this targeted program supports the operations of the Chancellor's Office. The Chancellor's office funding was eliminated in the 2014 Special Legislative Session.

Systemwide Expenses and Programs

These targeted programs provide General Fund for systemwide expenses administered by the Chancellor's Office on behalf of all the OUS institutions or for direct allocations to campuses.

- Expenses Paid on Behalf of Institutions– Funding is provided to cover certain assessments by the State of Oregon based on a price list or cost estimation from DAS. OUS is exempt from certain (but not all) state assessments starting July 1, 2012 as a result of the passage of SB242. Some new assessments are being researched as to applicability. As a result of SB 242, the OUS is no longer obligated to use the services of Department of Justice. Funding for campus legal services has been moved to enrollment funding and distributed to the campuses based on enrollment FTE but funding for legal services benefitting the system remains in systemwide expenses. Additionally, funding is provided to pay the state membership to the Western Interstate Commission for Higher Education (WICHE).
- Endowment Match - Established in 1989 to provide state matching funds to encourage endowment gifts.
- Faculty Diversity – Funding is provided in recognition of the need to provide result-oriented promotion of opportunity and to support enhanced efforts to recruit and retain more diverse faculty. Baseline was established with reports to the Chancellor's Office on plans and activities. Campuses will continue to report plans and activities to the Chancellor's Office as in the past.
- Services to Students with Disabilities – Funding is provided to campuses to help offset the cost associated with serving students with disabilities on OUS campuses. Allocation to campuses is prorated based on actual expense distributions from prior period's actual expenditures.
- ORBIS – The ORBIS Cascade Alliance is a consortium of 36 academic libraries in Oregon and Washington. Members of the consortium share information and staff resources to serve the needs of each member. Funding offsets membership costs to OUS member institutions.

Public University Support Fund: Current Service Level and Policy Packages

The Current Service Level Budget represents the 2013-2015 Legislatively Adopted Budget as adjusted for Emergency Board through April 2014 in addition to funding phase in/out and inflationary adjustments.

Phased-In Funding

General Fund	\$ 5,165,000
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DESCRIPTION: This represents the cost of biennializing HB 5008 tuition buy-down.

Phased-Out Programs Funding

General Fund	(\$ 28,344,000)
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DESCRIPTION: This represents the phasing out of HB 5101 tuition buy-down (\$25,000,000), HB 5201 SEIU Compensation Funding (\$2,000,000), HB 5201 EOU and SOU bridge funding (\$1,000,000) and HB 5008 Chancellor's Office reduction (344,000).

Costs of Goods and Services Inflationary Increase/(Decrease)

General Fund	\$ 16,242,650
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DESCRIPTION: A 3.3% inflation factor was utilized by the Department of Administrative Services in calculating the Current Service Level for the Public University Support Fund for the 2015-17 biennium.

POLICY PACKAGE 100
2015-2017 Budget
Transfer to the HECC

PURPOSE

Package 100 is a technical package that effectuates the transition of state appropriations for public universities from the Department of Administrative Services (DAS) 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.

HOW ACHIEVED

This policy package shifts the Public University Support Fund from DAS to the HECC.

STAFFING IMPACT

There are no staffing impacts.

QUANTIFYING RESULTS

None.

REVENUE SOURCES

\$513,609,162 General Fund

GOVERNOR'S RECOMMENDED BUDGET

Recommended.

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Higher Education Coordinating Commission
 Pkg: 100 - Transfer to HECC

Cross Reference Name: Public University Support Fund
 Cross Reference Number: 52500-021-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
General Fund Appropriation	513,609,162	-	-	-	-	-	513,609,162
Total Revenues	\$513,609,162	-	-	-	-	-	\$513,609,162
Special Payments							
Other Special Payments	513,609,162	-	-	-	-	-	513,609,162
Total Special Payments	\$513,609,162	-	-	-	-	-	\$513,609,162
Total Expenditures							
Total Expenditures	513,609,162	-	-	-	-	-	513,609,162
Total Expenditures	\$513,609,162	-	-	-	-	-	\$513,609,162
Ending Balance							
Ending Balance	-	-	-	-	-	-	-
Total Ending Balance	-	-	-	-	-	-	-

POLICY PACKAGE 101
2015-17 Budget
Continuation of Tuition Buy-Down

PURPOSE

HB 5101 (2013 Special Legislative Session) appropriated an additional \$25,000,000 to the Oregon University System for the purpose of reducing resident undergraduate tuition increases over the duration of the biennium. This amount of funds was sufficient, when combined with funds appropriated during the 2013 regular session in HB 5008 to hold tuition levels flat for the 2014-15 academic year. HB 5008 is continued and biennialized in the CSL budget, HB 5101 however was not. Because the funds dedicated to holding tuition flat take the place of tuition increases, discontinuance would necessitate additional tuition increases beyond normal cost increases to backfill a funding gap created by artificially low tuition levels and a funding gap created by the reduction of State General Fund appropriations. It is generally understood that limiting tuition increases to the lowest level possible while maintaining the quality and financial integrity of the university is optimal to support affordability and access to low and middle income Oregonians, making HB 5101 tuition buy-down permanent is a high priority for the Higher Education Coordinating Commission.

HOW ACHIEVED

In order to maintain an undergraduate tuition structure that is more affordable for Oregonians, the Higher Education Coordinating Commission is requesting the continuation of all tuition buy-downs from the prior biennium. These funds will be allocated to the universities to support their core operations with the agreement that no “catch-up” tuition increases will be made.

STAFFING IMPACT

No staffing impact at the HECC will change. Institutions are not under position control authority and may adjust staff to meet their institution needs as determined by management.

During the 2013-15 biennium the State of Oregon reinvested in the Oregon University System, with particular focus around “buying down” tuition levels for resident undergraduate students. These investments held tuition increases to much lower levels than during the past several biennia, and displaced funds that otherwise would have been accrued through higher tuition bills for Oregon students. This was a major investment in affordability for all Oregon students. These tuition buy-downs came in two funding packages, HB 5008 (2013 Regular Session) and HB 5101 (2013 Special Session). HB 5008 will continue on in the CSL budget of the Public University Support Fund. HB 5101 due to a determination of legislative intent will not be continued without a Policy Option Package (POP). This POP is structured to continue funding to fill the foregone tuition revenue bought-down through HB 5101 and roll these funds into the Public University Support Fund’s current service level after the 2015-17 biennium.

Package 101 would supply sufficient funds to cover the biennial cost of the prior tuition buy-down into the future and obviate the need for a “catch up” tuition increase. The mechanics of tuition buy-downs are such that it reduces the pool of tuition funds available to institutions and creates no new money, or reinvestment in real terms to the institutions, it displaces funds that would otherwise have been earned through tuition revenue. Because of this, any decrease in tuition buy-down funds will need to be made up through additional tuition increases beyond normal inflationary increases. These

catch up tuition increases are particularly problematic in that several years of cost escalation must be passed along to a smaller tuition base, requiring large and unpredictable tuition increases to students. These large tuition increases are destabilizing to low and middle income families.

QUANTIFYING RESULTS

Results of continuing the tuition buy-down from 2013-15 would be immediately felt by all resident Oregon undergraduate students at the public universities in the form of maintaining a lower than would otherwise exist tuition level. Without the continued investment in tuition buy-down funds the universities would be compelled to increase tuition beyond the general cost of inflation.

REVENUE SOURCES

\$ 41,095,238 General Fund

GOVERNOR'S RECOMMENDED BUDGET

Recommended.

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Higher Education Coordinating Commission
 Pkg: 101 - Continue HB 5101 tuition buy-down into 2015-17

Cross Reference Name: Public University Support Fund
 Cross Reference Number: 52500-021-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
General Fund Appropriation	41,095,238	-	-	-	-	-	41,095,238
Total Revenues	\$41,095,238	-	-	-	-	-	\$41,095,238
Special Payments							
Other Special Payments	41,095,238	-	-	-	-	-	41,095,238
Total Special Payments	\$41,095,238	-	-	-	-	-	\$41,095,238
Total Expenditures							
Total Expenditures	41,095,238	-	-	-	-	-	41,095,238
Total Expenditures	\$41,095,238	-	-	-	-	-	\$41,095,238
Ending Balance							
Ending Balance	-	-	-	-	-	-	-
Total Ending Balance	-	-	-	-	-	-	-

POLICY PACKAGE 102
2015-17 Budget
Public University Support Fund

PURPOSE

Package 102 is designed to strengthen investment in the Public University Support Fund to increase the state investment on a per resident student basis to allow additional fiscal space to focus investments by institutions in student success and completion to meet the 40-40-20 completion goal.

HOW ACHIEVED

The HECC seeks an incremental investment beyond Current Service Level for the Public University Support Fund in order to support its “Productivity Agenda” which prioritizes investments in student access and completion. Through a collaborative process with the HECC staff, university, student and faculty leadership supported by the Lumina Foundation, the HECC is undergoing the process of developing a new and innovative outcomes-based funding model which rewards institutions for supporting students from the first day on campus all the way through to graduation. Further, after years of significant disinvestment in public higher education, Oregon’s universities rank near the bottom nationally in state funding and in total resources available; in real terms that they lack the ability to invest in student support and completion programs that mean the difference between dropping out and finishing strong for many Oregonians. The last biennium saw a reversal of this disinvestment trend, however, a significant portion of the increased state appropriations came as a quid-pro-quo for reduced tuition, which in effect, meant that the institutions saw little or no “new money” on an inflation adjusted basis. This matters, because both universities and students are constrained in the resources available to them. By investing directly in the public universities, resources become available which allow for a quicker and more aggressive shift towards outcomes-based funding and provides the needed resources for institutions to invest in the very students required for Oregon to reach its aggressive 40-40-20 goal. Combined with the HECC’s “Affordability Agenda,” this investment begins the turnaround process for Oregon to begin investing in its future. Without a meaningful reversal of the negative trend in funding, higher education meaningful progress to 40-40-20 cannot be reasonably expected.

STAFFING IMPACT

None; institutions are not under position control authority and may adjust staff to meet the needs of their institution as determined by management.

QUANTIFYING RESULTS

The impacts of this investment will be validated by increased degree production and degrees per students in subsequent years. This investment will also increase the state investment on a per student basis.

REVENUE SOURCE

\$39,295,600 General Fund

GOVERNOR’S RECOMMENDED BUDGET

Recommended.

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Higher Education Coordinating Commission
 Pkg: 102 - Public University Support Fund

Cross Reference Name: Public University Support Fund
 Cross Reference Number: 52500-021-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
General Fund Appropriation	39,405,244	-	-	-	-	-	39,405,244
Total Revenues	\$39,405,244	-	-	-	-	-	\$39,405,244
Special Payments							
Other Special Payments	39,405,244	-	-	-	-	-	39,405,244
Total Special Payments	\$39,405,244	-	-	-	-	-	\$39,405,244
Total Expenditures							
Total Expenditures	39,405,244	-	-	-	-	-	39,405,244
Total Expenditures	\$39,405,244	-	-	-	-	-	\$39,405,244
Ending Balance							
Ending Balance	-	-	-	-	-	-	-
Total Ending Balance	-	-	-	-	-	-	-

POLICY PACKAGE 304
2015-17 Budget
Post-Secondary Education Association Memberships

PURPOSE

This package offsets an identical increase in the same package in the HECC Operations SCR.

HOW ACHIEVED

The funds will be for memberships in the Western Interstate Commission on Higher Education (WICHE), the Education Commission of the States (ECS), and the State Public University Support Fund to HECC Operations to cover the costs of the Package 304 in that SCR.

STAFFING IMPACT

None.

QUANTIFYING RESULTS

None.

REVENUE SOURCE

(\$381,317) General Fund

GOVERNOR'S RECOMMENDED BUDGET

Recommended as added in the Governor's Budget.

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Higher Education Coordinating Commission
 Pkg: 304 - Post-Secondary Education Association Memberships

Cross Reference Name: Public University Support Fund
 Cross Reference Number: 52500-021-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
General Fund Appropriation	(381,317)	-	-	-	-	-	(381,317)
Total Revenues	(\$381,317)	-	-	-	-	-	(\$381,317)
Special Payments							
Other Special Payments	(381,317)	-	-	-	-	-	(381,317)
Total Special Payments	(\$381,317)	-	-	-	-	-	(\$381,317)
Total Expenditures							
Total Expenditures	(381,317)	-	-	-	-	-	(381,317)
Total Expenditures	(\$381,317)	-	-	-	-	-	(\$381,317)
Ending Balance							
Ending Balance	-	-	-	-	-	-	-
Total Ending Balance	-	-	-	-	-	-	-

DETAIL OF LOTTERY FUNDS, OTHER FUNDS, AND FEDERAL FUNDS REVENUE

Higher Education Coordinating Commission
2015-17 Biennium

Agency Number: 52500
Cross Reference Number: 52500-026-00-00-00000

<i>Source</i>	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
Lottery Funds						
Tsfr From Administrative Svcs	-	-	-	32,157,371	31,951,387	-
Total Lottery Funds	-	-	-	\$32,157,371	\$31,951,387	-

AGRICULTURE EXPERIMENT STATION

Agriculture Experiment Station: Description

The Agricultural Experiment Station is the principal agricultural and related natural resources research agency of the State of Oregon. The mission of the AES is to conduct research to solve problems and generate innovations in the agricultural, biological, social, and environmental sciences for the social, economic, and environmental benefit of Oregonians. It conducts research in the agricultural, biological, social, and environmental sciences relating to Oregon agriculture, associated industries, and natural resources. It also provides services and technical assistance to Oregonians. The mission of the Agricultural Experiment Station is to conduct research in the agricultural, biological, social, and environmental sciences for the social, economic, and environmental benefit of Oregonians. In pursuing this mission, the Agricultural Experiment Station:

- Helps ensure a stable and productive agriculture through sustainable management and use of the natural resources of the state.
- Protects and improves the natural environment and quality of life.
- Develops new agricultural products and processes.
- Improves marketing of Oregon agricultural products.
- Improves the nutritional value and quality of food.
- Helps protect crops and animals from insects, diseases, and other hazards.
- Contributes to the basic sciences.
- Strengthens rural communities through research on issues that are critical to their economic development and social fabric.
- Assists developing nations' agriculture in ways that will help alleviate world hunger and promote trade with the United States.

Historic and Physical Setting: The Oregon Agricultural Experiment Station was organized in 1888 with funds provided by the United States Congress through the federal Hatch Act of 1887. The station comprises 11 branch experiment stations at 15 sites statewide and the central station on the OSU campus in Corvallis where the Station's research activities are integrated with the teaching and Extension Service activities of the College of Agricultural Sciences.

Branch stations are located throughout the state to do research that accommodates the widely varying soil, climate, agricultural, cultural, and economic conditions of Oregon. Many branch stations are combined in the same facility with OSU Extension Service offices, and all work closely with the local Extension Office. At the central station in Corvallis, scientists, staff, and students in 14 academic departments and five colleges of Oregon State University (OSU) carry out basic and applied research in agriculture, food systems, environmental and life sciences, and natural resources. The Station also supports seed testing and food safety and environmental stewardship laboratories on the OSU campus that serves the public interest.

Liaison and Planning: In planning its research, the Station actively solicits counsel from industry and citizen groups. Branch experiment stations have advisory committees of local citizens and often work with local representatives of agriculture, food, environmental and natural resource groups. Station administration works with statewide advisory groups and agriculture, food, environmental and natural resource organizations for review of existing programs and the development of new ones that anticipate and address emerging needs.

Cooperation with Other Agencies: Cooperation with state and federal agencies is important and well developed in the Station. There is a tradition and practice of coordination with the Oregon Departments of Agriculture, Forestry, Environmental Quality, Water Resources, Economic & Community Development, and the Oregon Watershed Enhancement Board on matters of mutual concern. The Station also coordinates its programs with counterparts in western states and with agencies of the federal Departments of Agriculture, Interior, Commerce, EPA, and other federal departments. Scientists in almost every academic department in the Station meet regularly with counterparts at Washington State University and the University of Idaho, and often share talent and costs of conducting research projects.

Disseminating Results: Research results are disseminated rapidly using a variety of means. This includes field days, Extension Service educational programs, technical and scientific publications, on-line delivery on the World Wide Web, print and broadcast news stories in popular media, and the award-winning quarterly research publication, "Oregon's Agricultural Progress."

Evaluation: Research programs are regularly reviewed and evaluated, both internally and by teams of scientists from other universities and agencies. These critical reviews indicate that many Station programs are among the best in the nation.

Mission-driven Consequences: The Oregon Agricultural Experiment Station, a national leader in research accountability systems, tracks its projects to determine the extent to which it fulfills the mission. The Station's "*Oregon Invests!*" accountability database <http://oregoninvests.oregonstate.edu/ORIN/> provides detailed descriptions and impact estimates for over 300 research projects. Based on their contributions to agricultural production and processing, these projects add more than \$100 million to Oregon's economy each year (2008 data). This figure does not include significant multiplier effects that typically accrue as dollars flow through jobs and communities. These projects also have other net-positive social and environmental consequences such as improvements to individual health, sanitation, business and public policy decision-making.

Agriculture Experiment Station: Current Service Level and Policy Packages

The Current Service Level Budget represents the 2013-2015 Legislatively Adopted Budget as adjusted for Emergency Board through July 2014 in addition to funding phase in/outs and inflationary adjustments.

Costs of Goods and Services Inflationary Increase/(Decrease)

General Fund	\$ 1,820,784
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DESCRIPTION: A 3.3% standard inflation factor is used to adjust the special payments Legislatively Approved Budget from the 2013-2015 biennium as allowed by DAS

POLICY PACKAGE 100
2015-2017 Budget
Transfer to the HECC

PURPOSE

Package 100 is a technical package that effectuates the transition of state appropriations for public universities from the Department of Administrative Services (DAS) 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.

HOW ACHIEVED

This policy package shifts funding for the Agriculture Experiment Station from DAS to the HECC.

STAFFING IMPACT

There are no staffing impacts.

QUANTIFYING RESULTS

None.

REVENUE SOURCES

\$56,996,066 General Fund

GOVERNOR'S RECOMMENDED BUDGET

Recommended.

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Higher Education Coordinating Commission
 Pkg: 100 - Transfer to HECC

Cross Reference Name: Agricultural Experiment Station
 Cross Reference Number: 52500-022-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
General Fund Appropriation	56,996,066	-	-	-	-	-	56,996,066
Total Revenues	\$56,996,066	-	-	-	-	-	\$56,996,066
Special Payments							
Other Special Payments	56,996,066	-	-	-	-	-	56,996,066
Total Special Payments	\$56,996,066	-	-	-	-	-	\$56,996,066
Total Expenditures							
Total Expenditures	56,996,066	-	-	-	-	-	56,996,066
Total Expenditures	\$56,996,066	-	-	-	-	-	\$56,996,066
Ending Balance							
Ending Balance	-	-	-	-	-	-	-
Total Ending Balance	-	-	-	-	-	-	-

EXTENSION SERVICE

Extension Service: Description

The OSU Extension Service is the community-based education outreach arm of Oregon's land, sea, sun and space grant-university. It is cooperatively funded from federal (USDA), state, county, and other sources. The OSU Extension Service engages the people of Oregon with research-based knowledge and education that strengthen communities and economies, sustain natural resources, and promote healthy families and individuals. The Oregon State University Extension Service is the non-formal education outreach arm of Oregon's land, sea, sun and space grant university.

Audiences/Program Areas

Extension faculty on the OSU campus and in county offices throughout the state work together with an extensive network of volunteers to develop and deliver educational programs. Extension focuses on the following:

- Farmers, ranchers, and related value-added agri-businesses. Programs emphasize profitability, financial management, diversified production systems, domestic and international marketing, processing of agricultural products, safe food production, water quality and use, natural resource and environmental stewardship.
- Families and individuals of all ages and income levels. These programs help them set and meet goals related to nutrition, diet, and health, human relationships, positive parenting, family resource management, basic living skills, skills to move from welfare to work, conflict resolutions, and participation in community affairs.
- Young people, their families, and adult volunteers in the 4-H youth development program. They develop leadership skills and gain self-esteem through experience in a variety of useful and rewarding projects. 4-H youth learn skills that help them select careers, contribute to a productive workforce, resolve conflict to prevent youth violence, work successfully with diverse populations, and become productive contributing citizens.
- Private and family forest owners, professional foresters, and the forest industry. Educational programs improve practices related to harvesting, reforestation, protection, value-added primary and secondary wood products, and wise management and stewardship of Oregon's forest resources.
- Communities, groups, and individuals. Programs help communities analyze alternatives for achieving desired economic development, help families and communities with changes that result from changing economic bases, and help increase citizen participation in local government policy issues.
- Individuals and businesses. Programs are directed at improving profitability and management of resources by increasing the efficiency with which they use energy in their homes, food and fiber processing, and other businesses.
- Fishing and seafood processing industry, and people with ocean and water related interests. Educational programs emphasize profitability, vessel safety, value-added fishery products, watershed and salmon restoration, and help make wise and safe use of this natural resource as a sustainable source of income, food, and recreation.

Engaged and Applied Research

Extension educational programs are derived from a knowledge base created through research conducted at OSU and elsewhere. Research often is begun in response to needs identified by Extension clients. Extension faculty translate the results of scientific research into practical terms and

capture its value in useful educational programs and materials. They also partner with land-owners, businesses and other organizations to conduct applied research to demonstrate uses of new techniques, products, and technologies.

Extending Education to the People

The OSU Extension Service was created in 1911 in anticipation of federal resource allocation through passage of the Smith Lever Act (1914). It adds value to the University by extending knowledge to the people across the state. Extension works with people of all ages who want and need the information and education it offers. Local and state citizen committees and advisory councils assess needs, recommend program priorities, and participate in selecting staff members. Extension often partners with other state and federal agencies, community colleges, local schools, etc., to help people obtain information and develop the skills to apply it effectively through decisions and action.

Extension, as a part of the OSU Division of Outreach and Engagement, works with academic units on campus to provide access to credit classes and degree programs for Oregonians where they live, and assists the University in identifying program needs. Oregon residents obtain and use Extension education in a variety of ways: direct contact with a county, area, or state Extension faculty member or program assistant; information from a volunteer leader-teacher; and through publications, web pages, and mass media. Still others obtain and use Extension- originated information through secondary sources — garden store operator, agriculture field representative, master volunteer, or others.

Campus-based Extension Faculty

Extension Specialists are OSU faculty based at the OSU campus in Corvallis. Each is a member of the department and/or college related to his or her discipline. They translate research into practices that can be readily understood and applied, develop educational programs, and serve as technical resources for county and area delivered Extension programs.

County and Area Extension Faculty

About two-thirds of the OSU Extension faculty are assigned to county locations. They, too, are members of appropriate OSU departments and colleges. Often called county Extension Agents, their role is to take the University to the people of Oregon. As members of their respective communities, they are educators and applied researchers. County and area Extension faculty are located in all 36 Oregon counties. The number of faculty assigned to a county depends on its population, natural resource and human issues including agricultural complexity, forest and marine resource needs, and the county's financial support that typically is provided as office space and operating expenses.

Volunteers

Volunteers are the heart of many Extension programs. Over 20,000 individuals share the responsibility for extending programs to all citizens who might benefit. Volunteers plan programs, teach, conduct demonstrations, and help evaluate programs. For this responsibility, Extension trains its volunteers and equips them with carefully prepared, regularly updated educational materials. Many volunteers serve as part of the numerous Extension master volunteer programs.

Extension Service: Current Service Level Budget and Policy Packages

The Current Service Level Budget represents the 2013-2015 Legislatively Adopted Budget as adjusted via Emergency Board through July 2014 in addition to funding phase in/outs and inflationary adjustments.

Costs of Goods and Services Inflationary Increase/(Decrease)

General Fund	\$ 1,317,014
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DESCRIPTION: A 3.3% standard inflation factor is used to adjust the special payments Legislatively Approved Budget from the 2013-2015 biennium as allowed by DAS.

POLICY PACKAGE 100
2015-2017 Budget
Transfer to the HECC

PURPOSE

Package 100 is a technical package that effectuates the transition of state appropriations for public universities from the Department of Administrative Services (DAS) 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.

HOW ACHIEVED

This policy package shifts the Extension Service budget from DAS to the HECC.

STAFFING IMPACT

There are no staffing impacts.

QUANTIFYING RESULTS

None.

REVENUE SOURCES

\$41,226,540 General Fund

GOVERNOR'S RECOMMENDED BUDGET

Recommended.

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Higher Education Coordinating Commission
 Pkg: 100 - Transfer to HECC

Cross Reference Name: Extension Service
 Cross Reference Number: 52500-023-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
General Fund Appropriation	41,226,540	-	-	-	-	-	41,226,540
Total Revenues	\$41,226,540	-	-	-	-	-	\$41,226,540
Special Payments							
Other Special Payments	41,226,540	-	-	-	-	-	41,226,540
Total Special Payments	\$41,226,540	-	-	-	-	-	\$41,226,540
Total Expenditures							
Total Expenditures	41,226,540	-	-	-	-	-	41,226,540
Total Expenditures	\$41,226,540	-	-	-	-	-	\$41,226,540
Ending Balance							
Ending Balance	-	-	-	-	-	-	-
Total Ending Balance	-	-	-	-	-	-	-

FOREST RESEARCH LABORATORY

Forest Research Laboratory: Description

The Forest Research Laboratory (FRL) is Oregon's forest resources research agency that helps solve problems, create opportunities, and develop new understanding and innovation about forest ecosystems, forest management and forest-derived renewable materials. It is also the research component of Oregon State University's College of Forestry. In addition to research in campus laboratories and on university forests, studies are conducted cooperatively in public and private forests, in laboratories and manufacturing facilities throughout Oregon and the world.

Statutory Authority/Program Objectives: ORS 526.215 and ORS 526.225 established the Forest Research Laboratory at Oregon State University to "aid in economic development of the state...to carry on research and experimentation to develop the maximum yield from forest lands and to obtain the fullest utilization of forest resources." This is the state's only forest resources research and development program, and as such is charged to cooperate with other state agencies, the forest industry, individuals, and associations. The statutes established a Research Advisory Committee to assure project relevance and help establish research priorities. The research is designed to provide information that will insure sustainable, healthy forests; develop new wood based products and processes; improve economic returns; protect and improve the environment, and improve forest habitat for wildlife. Research should enable wise public and private decisions regarding the management and use of Oregon's forest resources, and the operation of wood processing industries. Such research leads to improvements in the efficiency and productivity of resources that are economically important to Oregon's 141,000 family forestland owners, 73,000 forest industry production workers, forest companies and communities, and the \$13 billion contribution to the state economy in general. Equally important, the interdisciplinary research conducted by the Laboratory helps shape social and environmental outcomes that impact the lives of Oregon citizens on a daily basis.

Program Areas: The objectives of the Forest Research Laboratory are attained through continuous effort in six core program areas:

- **Forest Regeneration:** Research to provide better ways for establishing young forests following harvesting, fires, insect attacks, etc. Current research is focused on intensive management of planted forests with the goal of producing more timber on fewer acres of land devoted to maximum economic production. Work includes matching species and methods to site geography in central Oregon and the Coast Range, for faster early growth, and better wood quality; application of advances in gene research to Oregon forest species; and development of new methods to prepare planting sites, establish seedlings, and release suppressed young trees, methods which are more certain, efficient, and compatible with various forest values.
- **Forest Productivity:** Research to improve understanding of the processes of forest ecology, carbon sequestration and climate, culture and productivity, and thus to develop new ways to increase the benefits from forests. Current research is focused on understanding how forests may help lessen, and will react to climate change; the effect of organic decomposition on soil productivity; developing cost-effective, environmentally compatible harvest systems for young stands and steep slopes; and understanding interrelationships in producing timber, water, fish, wildlife, and recreation from forests, thus developing more successful multiple-use management systems.

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- **Integrated Forest Protection:** Research to discover ways to reduce forest losses in timber, fish, and wildlife from insects, disease, rodents, erosion and other destructive agents. Current research projects are focused on discovering better ways of protecting riparian zones, improving and sustaining water quality, and ensuring fish and wildlife habitat during timber harvesting and road building; finding how to avoid soil damage associated with harvesting; and developing integrated management systems that will build into the forest resistance to damage from wildlife, diseases, insects, drought and unproductive competition.
 - **Evaluating Forest Uses and Practices:** Research to identify the economic, environmental, and social impacts of alternative forest practices, forestry policies, and multiple uses of forests. Current research projects are focused on the impacts of alternative timber harvest schedules; economic use of forest biomass for energy production; calculating and deriving economic value from other ecosystem services; timber production programs; and recreational use scheduling policies and related management strategies.
 - **Wood Processing and Performance:** Research to improve the globally, competitive position of Oregon timber species by more efficient processing, better design, and improved performance in products and structures. Current research stresses improving wood preservation techniques to extend the life of lumber poles; developing information on adhesion in plywood and composites to guide the development of new adhesive systems and improve current processing practices; evaluating wood-product drying for optimum use; developing more efficient structural systems to meet current and potential markets for Oregon species, and assisting in the development and evaluation of new products for commercial markets in Oregon and around the world, including nanotechnology.
 - **Research Support:** Administrative support and financial control for the five research program areas. In addition to normal costs of research administration, it includes partial maintenance of Forest Research Laboratory and McDonald-Dunn Forest facilities and equipment. It also includes very intensive computing and network support for research modeling, data collection and storage, and information management. Additionally there are communications and outreach support to help prepare and disseminate research findings.

Priorities/Coordination

The Laboratory is assisted by its Research Advisory Committee in identifying research priorities. Appointed by the State Board of Higher Education, this 15-person statutory committee includes the State Forester, the Regional Forester of the U.S. Forest Service, the State Director of the Bureau of Land Management, executives from private forest industry, and representatives of the public at large. The committee meets semiannually to discuss forestry related problems, research progress, research priorities and research coordination. Because some research requires several years to complete, the Committee focuses on the future, helping anticipate shifts in forest uses, consumer interests, product markets, environmental issues, and other forestry or natural resources problems which Laboratory research might help solve. All research is conducted in accordance with study plans that have been reviewed both internally and by scientists in other organizations when appropriate.

Cooperation/Research Use

To extend the resources available from state appropriations in the Forest Research Laboratory budget, cooperation and assistance from non-state sources is sought to accomplish Laboratory research goals. Assistance may include the use of private or agency lands for research, contributed equipment, facilities or staff time and funds for specific projects. About 150 cooperators currently participate in a variety of research projects where results could provide direct benefits. Forestry practices of many cooperators reflect research results immediately, and other stakeholders often follow such working examples more quickly than they do with more conventional methods of conveying research results.

University Grants/Contracts

A significant amount of forestry research is supported by grants and contracts. Grant proposals of Laboratory scientists are required to be directly supportive of Laboratory goals and complementary to projects supported with state funds. Grants are restrictive since they often provide only for basic research, are not available in all program areas, and are for specific/limited time periods. Nevertheless, forestry and natural resources related sponsored research extends the programs of the Laboratory, and help provide research knowledge to a wider range of practitioners. Currently the Laboratory is able to leverage every dollar of appropriated support for faculty and infrastructure into 6 dollars of additional research funding.

Disseminating Results

Research results are provided to family forestland owners, industry, public land managers, other scientists and the public using a variety of means. This includes Extension Foresters conducting programs around the state, Outreach Education short courses, technical and scientific publications, online delivery via the World Wide Web, video productions, conference presentations and stories in popular media.

Proposed Program Improvements

The Forest Research Laboratory continuously looks to engage in research that is closely allied with the policy initiatives being pursued by Oregon's legislative and executive branches, as well as programs that add value to the state economy, and protect environmental resources from changing threats. Scientists seek to provide new knowledge that will help inform policy choices about forest resources management, climate change, forest policies for urban areas, alternatives in resource uses, water quality, wildlife habitat, and related matters. Programs are also aimed at improving production processes and adding new products such that Oregonians can pursue economic gains while maintaining a healthy, sustainable environment that meets multiple needs for the state citizens.

Forest Research Laboratory: Current Service Level Budget and Policy Packages

The Current Service Level Budget represents the 2013-2015 Legislatively Adopted Budget as adjusted via Emergency Board through July 2014 in addition to funding phase in/outs and inflationary adjustments.

Costs of Goods and Services Inflationary Increase/(Decrease)

General Fund	\$ 1,317,014
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DESCRIPTION: A 3.3% standard inflation factor is used to adjust the special payments Legislatively Approved Budget from the 2013-2015 biennium as allowed by DAS.

POLICY PACKAGE 100
2015-2017 Budget
Transfer to the HECC

PURPOSE

Package 100 is a technical package that effectuates the transition of state appropriations for public universities from the Department of Administrative Services (DAS) 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.

HOW ACHIEVED

This policy package shifts the Forest Research Laboratory budget from DAS to the HECC.

STAFFING IMPACT

There are no staffing impacts.

QUANTIFYING RESULTS

None.

REVENUE SOURCES

\$6,271,107 General Fund

GOVERNOR'S RECOMMENDED BUDGET

Recommended.

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Higher Education Coordinating Commission
Pkg: 100 - Transfer to HECC

Cross Reference Name: Forest Research Laboratory
Cross Reference Number: 52500-024-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
General Fund Appropriation	6,271,107	-	-	-	-	-	6,271,107
Total Revenues	\$6,271,107	-	-	-	-	-	\$6,271,107
Special Payments							
Other Special Payments	6,271,107	-	-	-	-	-	6,271,107
Total Special Payments	\$6,271,107	-	-	-	-	-	\$6,271,107
Total Expenditures							
Total Expenditures	6,271,107	-	-	-	-	-	6,271,107
Total Expenditures	\$6,271,107	-	-	-	-	-	\$6,271,107
Ending Balance							
Ending Balance	-	-	-	-	-	-	-
Total Ending Balance	-	-	-	-	-	-	-

PUBLIC UNIVERSITY STATE PROGRAMS

Public University State Programs: Description

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.

These programs include:

Dispute Resolution

The 2003 Legislature transferred the programs of the Dispute Resolution Commission to the Department of Higher Education when it abolished the Commission. The UO administers the Oregon Office for Community Dispute Resolution (OOCDR) which provides mediation services and conflict resolution training to private parties. PSU administers the Oregon Consensus program, within the National Policy Consensus Center, to mediate disputes involving public bodies or public lands.

Oregon Solutions

Oregon Solutions is housed at PSU in the College of Urban and Public Affairs. Oregon Solutions is a program that brings together local groups to solve local problems using sustainable methods. The program promotes collaborative efforts between government agencies, commercial businesses, and nonprofit organizations in support of Oregon's economy, environment, and communities.

Signature Research

The signature research program was initiated by the legislature in 2003 with funding to support the development of Signature Research Centers for Multi-scale Materials and Devices at OSU, UO and PSU, using nanotechnology to develop products with commercial applications.

Oregon Metals Initiative (OMI)

This program provides State General Fund for industry match funding to the campuses for OMI projects.

Labor Education Research Center (LERC)

The Labor Education and Research Center at the University of Oregon has made the resources and expertise of the higher education system available to workers, unions, policy makers, and community partners throughout Oregon and the Pacific Northwest.

Population Research Center

The Population Research Center (PRC) is an interdisciplinary public service, research, and training unit for population-related data and research for the State of Oregon. The mission of PRC is to provide population data, information, and research analysis for Oregon and its communities. Center staff engage in a variety of demographic activities, including the Oregon State Data Center, the Oregon Population Estimates Program, and a variety of commissioned population projects. PRC staff also teach in the Nohad A. Toulan School of Urban Studies and Planning, supporting a graduate concentration in applied demography and a graduate certificate program in applied demography.

Institute for Natural Resources

The Institute for Natural Resources is a multi-institutional research institute housed primarily at OSU which provides research and policy support to state agencies and other organizations on a variety of natural resource issues, including environmental protection and watershed conservation. The portion of the OSU Natural Research Center managed at PSU, the Oregon Biodiversity Information Center (previously Natural Heritage program), retains its targeted program funding within the Public University Support Fund.

Clinical Legal Education

The clinical legal education program was established as a targeted program by the 2011 legislature. This program provides funding to any institution of higher education within Oregon which provides clinical legal services to victims of domestic violence, stalking or sexual assault. Distribution of the funds is on an application basis.

Oregon Climate Change Research Institute

The Oregon Climate Change Research Institute (OCCRI) facilitates research, serves as a climate change information clearinghouse, provides technical assistance, and at least once each biennium, assesses the state of climate change science as it relates to impacts on Oregon. OCCRI is housed within the OSU College of Oceanic and Atmospheric Sciences (COAS).

Research Vessel Program

Oceangoing Research Vessel Program at Oregon State University (OSU) to conduct specified marine research activities. The U.S. National Science Foundation owns a fleet of research vessels stationed in multiple coastal states. The operation of these vessels is usually funded by a mix of federal support, state funding and research grants. These vessels perform a variety of research, normally in conjunction with state universities, in the immediately surrounding coastal waters.

Fermentation Program

HB 5008 appropriated funds to “expand fermentation science programs at Oregon State University.”

Public University State Programs

Engineering and Technology Industry Council	\$ 24,451,274
Dispute Resolution (UO & PSU)	\$ 2,516,149
Oregon Solutions (PSU)	\$ 2,257,451
Signature Research Centers (OSU, PSU, UO)	\$ 1,040,577
Oregon Metals Initiative	\$ 749,065
Labor Education Research Center (LERC-UO)	\$ 678,544
Population Research Center (PSU)	\$ 435,313
Institute of Natural Resources (OSU)	\$ 399,103
Clinical Legal Education (UO & L&C)	\$ 348,696
Oregon Climate Change Research Institute (OSU)	\$ 312,837
Oceangoing Research Vessel (OSU)	\$ 619,800
Fermentation Science (OSU)	\$ 1,239,600
Total	<u>\$ 35,048,409</u>

POLICY PACKAGE 090
2015-17 Budget
Analyst Adjustments

PURPOSE

Package 90 is a technical package that effectuates the transition of a portion of funding historically allocated to the Engineering Technology Industry Council (ETIC), which was shifted to the OEIB, a majority of which reverts to the HECC during 2016 under current stature. These funds are used in support of “sustaining funds” for engineering technology related programs at the seven public universities and OHSU.

HOW ACHIEVED

This policy package \$24,451,274 from HECC Operations to Public University State Programs.

STAFFING IMPACT

None.

QUANTIFYING RESULTS

Results for this program will be evaluated through the number of graduates in engineering, technology and related fields as well as research expenditures in these areas at the seven public universities and OHSU.

REVENUE SOURCE

None.

GOVERNOR’S RECOMMENDED BUDGET

Recommended as added in the Governor’s Budget.

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Higher Education Coordinating Commission
 Pkg: 090 - Analyst Adjustments

Cross Reference Name: PU State Programs
 Cross Reference Number: 52500-025-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
General Fund Appropriation	24,451,893	-	-	-	-	-	24,451,893
Total Revenues	\$24,451,893	-	-	-	-	-	\$24,451,893
Special Payments							
Other Special Payments	24,451,893	-	-	-	-	-	24,451,893
Total Special Payments	\$24,451,893	-	-	-	-	-	\$24,451,893
Total Expenditures							
Total Expenditures	24,451,893	-	-	-	-	-	24,451,893
Total Expenditures	\$24,451,893	-	-	-	-	-	\$24,451,893
Ending Balance							
Ending Balance	-	-	-	-	-	-	-
Total Ending Balance	-	-	-	-	-	-	-

POLICY PACKAGE 100
2015-2017 Budget
Transfer to the HECC

PURPOSE

Package 100 is a technical package that effectuates the transition of state appropriations for public universities from the Department of Administrative Services (DAS) 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.

HOW ACHIEVED

This policy package shifts the Public University State Programs budget from DAS to the HECC.

STAFFING IMPACT

There are no staffing impacts.

QUANTIFYING RESULTS

None.

REVENUE SOURCES

\$10,596,516 General Fund

GOVERNOR'S RECOMMENDED BUDGET

Recommended.

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Higher Education Coordinating Commission
 Pkg: 100 - Transfer to HECC

Cross Reference Name: PU State Programs
 Cross Reference Number: 52500-025-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
General Fund Appropriation	10,596,516	-	-	-	-	-	10,596,516
Total Revenues	\$10,596,516	-	-	-	-	-	\$10,596,516
Special Payments							
Other Special Payments	10,596,516	-	-	-	-	-	10,596,516
Total Special Payments	\$10,596,516	-	-	-	-	-	\$10,596,516
Total Expenditures							
Total Expenditures	10,596,516	-	-	-	-	-	10,596,516
Total Expenditures	\$10,596,516	-	-	-	-	-	\$10,596,516
Ending Balance							
Ending Balance	-	-	-	-	-	-	-
Total Ending Balance	-	-	-	-	-	-	-

PUBLIC UNIVERSITY DEBT SERVICE

Public University Debt Service: Description

The debt service program includes all long-term debt obligations of Oregon public universities to pay primarily for capital construction projects. These include debt paid by state appropriations and revenue generated by self-supporting programs such as gifts, grants or student building fees.

POLICY PACKAGE 100
2015-2017 Budget
Transfer to the HECC

PURPOSE

Package 100 is a technical package that effectuates the transition of state appropriations for public universities from the Department of Administrative Services (DAS) 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.

HOW ACHIEVED

This policy package shifts the Public University Debt Service budget from DAS to the HECC. General Fund and Lottery Funds are adjusted to correspond to changes in the original OUS budget for updates to debt service, loans paid to state agencies, and State Government Service Charges for Treasury and banking fees. Lottery Funds for bonds costs are eliminated.

STAFFING IMPACT

There are no staffing impacts.

QUANTIFYING RESULTS

None.

REVENUE SOURCES

\$129,382,947 General Fund

\$31,951,387 Lottery Funds

GOVERNOR'S RECOMMENDED BUDGET

Recommended as modified.

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Higher Education Coordinating Commission
Pkg: 100 - Transfer to HECC

Cross Reference Name: PU Debt Service
Cross Reference Number: 52500-026-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Beginning Balance							
Beginning Balance Adjustment	-	35,182	-	-	-	-	35,182
Total Beginning Balance	-	\$35,182	-	-	-	-	\$35,182
Revenues							
General Fund Appropriation	129,382,947	-	-	-	-	-	129,382,947
Tsfr From Administrative Svcs	-	31,951,387	-	-	-	-	31,951,387
Total Revenues	\$129,382,947	\$31,951,387	-	-	-	-	\$161,334,334
Services & Supplies							
State Gov. Service Charges	216,773	-	-	-	-	-	216,773
Total Services & Supplies	\$216,773	-	-	-	-	-	\$216,773
Special Payments							
Loan Repaid To State Agencies	12,388,331	-	-	-	-	-	12,388,331
Total Special Payments	\$12,388,331	-	-	-	-	-	\$12,388,331
Debt Service							
Principal - Bonds	44,734,930	15,677,830	-	-	-	-	60,412,760
Interest - Bonds	63,657,875	16,308,739	-	-	-	-	79,966,614
Principal - COP	4,520,000	-	-	-	-	-	4,520,000
Interest - COP	3,865,038	-	-	-	-	-	3,865,038
Total Debt Service	\$116,777,843	\$31,986,569	-	-	-	-	\$148,764,412

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Higher Education Coordinating Commission
 Pkg: 100 - Transfer to HECC

Cross Reference Name: PU Debt Service
 Cross Reference Number: 52500-026-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Total Expenditures							
Total Expenditures	129,382,947	31,986,569	-	-	-	-	161,369,516
Total Expenditures	\$129,382,947	\$31,986,569	-	-	-	-	\$161,369,516
Ending Balance							
Ending Balance	-	-	-	-	-	-	-
Total Ending Balance	-	-	-	-	-	-	-

2015-17 University Capital Project Requests – Table of Contents

<p>HECC University Capital Recommendation</p> <p>HECC University Capital Prioritization Policy</p> <p>HECC University Capital Scoring Rubric</p> <p>HECC University Capital Tracker</p> <p>Tier I Capital Projects</p> <ul style="list-style-type: none"> <i>Capital Repair and Renewal</i> <i>PSU – Neuberger Hall</i> <i>OSU – Forest Science Complex</i> <i>UO – Klamath Hall</i> <i>OSU – Marine Studies Campus Phase I</i> <i>UO – College and Careers Building</i> <i>OIT – Center for Excellence in Engineering & Techn. Pre-Dev.</i> <i>OIT – Boivin Hall Modernization</i> <i>UO – Chapman Hall Renovation</i> <i>WOU – Natural Science Building Renovation</i> <i>SOU – Britt Hall Renovation</i> <i>EOU – Hunt Hall Demolition and Site Restoration</i> <i>UO – Learning and Innovation Hub – School of AAA</i> <p>University Funded Capital Projects</p> <ul style="list-style-type: none"> <i>PSU – University Center Land Purchase</i> <p>Capital Reauthorization Projects</p> <ul style="list-style-type: none"> <i>EOU – Eastern Learning Commons Planning</i> <i>OIT – Cornett Hall Renovation Design/Planning</i> <i>OSU – Modular Data Center Project</i> <i>PSU – University Center Land Purchase</i> 	<p><i>Tier I Projects – Not Recommended</i></p> <ul style="list-style-type: none"> <i>WOU – Campus-wide ADA Accessibility Improvements</i> <i>OSU – Accessibility/ADA improvements</i> <i>SOU – Cogeneration - Biomass</i> <p><i>Tier II Capital Projects – Not Recommended</i></p> <ul style="list-style-type: none"> <i>OIT – New Student Center Building</i> <i>OSU – Cascades Academic Building II</i> <i>OSU – Magruder Hall</i> <i>PSU – Graduate School of Education</i> <i>SOU – Susanne Holmes Hall</i> <i>UO – Regional Library Collections Center</i> <i>WOU – Instructional Technology Center</i> <p><i>Tier III Capital Projects – Not Recommended</i></p> <ul style="list-style-type: none"> <i>EOU – Community Stadium Improvements</i> <i>EOU – Track & Field Facilities</i> <i>OSU – College of Engineering I</i> <i>OSU – Fairbanks Hall</i> <i>OSU – IT Systems Infrastructure Phase II</i> <i>PSU – Broadway Housing Purchase (Option I and II)</i> <i>UO – Research Lab Building</i> <i>WOU – New Physical Education Building</i>
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GRB University Capital Recommendation:

The following prioritization of capital projects represents the HECC's prioritization process which emphasized enhancing educational capacity, supporting student completion, research capacity, economic development, life, safety and code compliance and cost savings measures. Many projects include significant leveraging of state debt with private support which enhanced the educational capacity of the institutions and reduces reliance on constrained state funds. The Governor's recommended capital budget represents a significant leap forward in critical infrastructure needed to meet the the teaching, research and student support space needs of the seven public universities and required to reach the State's ambitious 40-40-20 goal. Significant additional resources were allocated to support Capital Repair/Renewal Projects in order for institutions to invest, where possible, in ADA accessibility improvements. The majority of projects dedicate resources to repurpose and redevelop existing buildings to meet the pressing needs stemming from enrollment growth over the past decade and to meet the needs of modern pedagogy and lab space.

The following list of projects represent the Governor's strategic priority in deploying capital investments to meet the State's education, research and public service goals. Only projects recommended are listed in the table below.

Tier I Capital Projects

Priority	Inst.	Project Name	State Debt
1	ALL	Capital Repair/Renewal Projects	\$71,900,000
2	PSU	Neuberger Hall-DM and Renovation	\$60,000,000
3	OSU	Forest Science Complex	\$30,000,000
4	UO	Klamath Hall for 21st Century Chemistry – Renovation	\$12,250,000
5	OSU	Marine Studies Campus Phase I	\$25,000,000
6	UO	College and Careers Building	\$17,000,000
7	OIT	Center for Excellence in Engineering & Technology Pre-Development	\$3,500,000
8	OIT	Boivin Hall Modernization	\$7,420,000
9	UO	Chapman Hall Renovation	\$8,000,000
10	WOU	Natural Science Building Renovation	\$6,000,000
11	SOU	Britt Hall Renovation	\$4,790,000
12	EOU	Hunt Hall Demolition and Site Restoration	\$2,985,000
13	UO	Learning and Innovation Hub - School of A&AA/Research Innov. Ctr	\$26,625,000
		TOTAL	\$275,470,000

University Funded Capital Projects

Priority	Inst.	Project Name	State Debt
N/A	PSU	Broadway Housing Project	\$53,000,000

Capital Reauthorization Projects

Priority	Inst.	Project Name	State Debt
N/A	EOU	Eastern Learning Commons Planning (Reauthorization)	2,000,000
N/A	OIT	Cornett Hall Renovation Design/Planning (Reauthorization)	2,000,000
N/A	OSU	Modular Data Center Project (Reauthorization)	0
N/A	PSU	University Center Land Purchase (Reauthroization)	0

HECC University Capital Prioritization Policy:

The HECC is tasked by ORS 351.735 to evaluate and prioritize capital investments of the state of Oregon in its higher education enterprise for recommendation to the Governor for inclusion in the Governor's Recommended Budget. The Commission recognizes that the most cost-efficient means of meeting the State's ambitious 40-40-20 goal is to maintain and increase the utilization and productivity of the current array of university-related capital assets. As necessary in order to meet the education, civic, cultural and research needs of Oregon and Oregon students, the Commission will recommend that additional state capital resources be deployed to support the renovation of existing facilities and the addition of new facilities. On a biennial basis the Commission will receive from each institution requesting state-backed capital investments a report including how these investments, along with their current capital portfolio, unite the mission and strategy of the institution to key outcomes measures established by the HECC. To these ends the Commission adopts the following statement of principles.

- All state backed debt prioritized and approved by the Commission will support the Commission's strategic plan as well as class, lab, research or student services needs identified by the public university from which the request was received.
- A plan for supporting the ongoing operational and maintenance needs of current and proposed capital assets, including deferred maintenance and building renewal, must be in place if an institution seeks to expand their capital portfolio.
- General Obligation debt incurred by the state on behalf of institutions for the construction, purchase, or refurbishment of real property will principally serve either to (a) ameliorate constraints within the postsecondary system of higher education by expanding institutional capacity to support student access and completion; (b) extend the useful life of capital assets; or (c) develop or extend key competitive advantages that comport with the state's education, civic, cultural, and economic needs.
- The HECC will encourage projects that generate operational cost savings through the refurbishment or repurposing of existing facilities or the construction of new facilities.
- The HECC, in conjunction with the institutions, will evaluate the efficient utilization and proper maintenance of current capital assets in determining the need for the purchase or construction of additional capital assets.
- Collaboration between multiple educational, civic, state and private institutions will be encouraged.
- Where possible the leveraging of non-state resources will be encouraged in order to maximize mission attainment.
- The HECC will advocate for a level of state-paid capital debt that is adequate to provide institutions with the most cost-effective means of addressing deferred maintenance, life-safety, and code compliance needs that rise to the level of capital expenditures.

The Commission will explore the development of a mechanism for rationalizing the total investment of state resources, capital and operating through the state's funding allocation model to institutions. Only state-paid capital debt authorized during the 2015 legislative session or after will be incorporated into this mechanism. A workgroup including representatives of the HECC and institutions will be convened in July of 2015 for the purposes of developing this mechanism, exploring its potential consequences and reporting on its feasibility to the Commission. On a biennial basis, the Commission will produce a scoring rubric designed to incorporate and operationalize the principles enumerated above.

2015-17 University Capital Project - Prioritization Scoring
 Adopted by the Higher Education Coordinating Commission
 July 2014

Points	Category	Detail		
A 0 Pts	HECC Strategic Plan & Institutional Master Plan Compliant			
	The project must relate to the OEIB and HECC Strategic Plans, as well as the campus's Master Plan and primarily serve class, lab, research or student services needs.			
B 1-30 pts	HECC Priorities (State Priorities)			
	Scoring is based off of HECC 2014-15 Strategic Plan "Pathways to Progress: A Strategy for Steering, Cheering and Preserving to Achieve Oregon's Higher Education Goals."			
	Pts Strategic Initiative			
	10	Ease capacity constraint within entire system		
	10	Supports student completion		
	5	Supports research & economic development capacity of institution		
	5	Collaboration between education institutions		
C 1-10 pts	Cost Savings			
	Projects are scored based on cost savings generated by eliminating or limiting deferred maintenance projects, and/or operational savings.			
D 1-10 pts	Life, Safety & Code Compliance			
	Projects are scored based on the priority of the project to meet life, safety and code compliance needs of mission critical items, including lifecycle cost analysis or projects that support key programs and initiatives.			
E 4-20 pts	Campus Priority			
	Tranche	Pts		
	1	20		
	2	18		
	3	16		
	4	14		
	5	12		
	6	10		
	7	8		
	8	6		
F 1-5 pts	Finish what we start			
	Projects are scored based on how the capital investment could best enhance or complement existing academic and completion program efforts.			
G 1-15 pts	Leveraging Dollars			
	Projects were scored based on the following schedule:			
	% Campus Match	pts	Majority pledged or in-hand	pts
	50% or over	10	100% add	5
	40%	8	75% add	4
	30%	6	50% add	3
	20%	5	25% add	2
	10%	4	0% ≥ 10% add	1
	0%	0		
H 1-10 pts	Strategic Priority			
	Projects are scored based on their ability to bridge gaps and serve identified needs that support the educational, civic, cultural and economic development needs of the state.			

Potential Points 100 pts

New and University Funded Projects																				
Project Information					Funding Type				State-Paid Debt				University-Paid Debt and Other Sources							
Tier	Rank	Numerical Rank	University	Project Name	Class	Type	GSF	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	1	1	"SYS"	Capital Repair/Renewal Projects		DM		\$71,900,000	\$0	\$71,900,000					\$71,900,000				\$0	
1	2	2	PSU	Neuberger Hall-DM and Renovation	E&G	Renovation/DM	237,874	\$70,000,000	\$10,000,000	\$60,000,000	\$10,000,000	\$50,000,000			\$60,000,000		\$0	\$10,000,000	\$10,000,000	
1	3	3	OSU	Forest Science Complex	E&G	New/Renovation	143,000	\$60,000,000	\$30,000,000	\$30,000,000	\$30,000,000				\$30,000,000			\$30,000,000	\$30,000,000	
1	4	4	UO	Klamath Hall for 21st Century Chemistry - Renovation	E&G/DM	Health & Safety Renovation/DM	24,000	\$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	5	5	OSU	Marine Studies Campus Phase I	E&G	New	105,000	\$50,000,000	\$25,000,000	\$25,000,000	\$25,000,000				\$25,000,000			\$25,000,000	\$25,000,000	
1	6	6	UO	College and Careers Building	E&G	New / Deferred Maintenance	75,000	\$34,000,000	\$17,000,000	\$17,000,000	\$17,000,000				\$17,000,000			\$17,000,000	\$17,000,000	
1	7	7	UO	Ctr for Excellence in Engineering & Technology	E&G	Pre-Development		\$3,900,000	\$0	\$3,900,000		\$3,900,000			\$3,900,000		\$0	\$0	\$0	
1	8	8	OIT	Bolvin Hall Modernization	E&G	Renovation	47,000	\$7,420,000	\$0	\$7,420,000	\$0	\$7,420,000			\$7,420,000		\$0	\$0	\$0	
1	9	9	UO	Chapman Hall Renovation	DM	Renovation/Seismic Upgrade/DM	23,079	\$10,050,000	\$2,500,000	\$8,000,000	\$2,500,000	\$5,500,000			\$8,000,000		\$0	\$2,500,000	\$2,500,000	
1	10	10	WOU	Natural Science Building (NS) Renovation	E&G	Renovation/Modernization	47,000	\$6,000,000	\$0	\$6,000,000	\$6,000,000				\$6,000,000				\$0	
1	11	11	SOU	Britt Hall Renovation	E&G	Renovation/DM/ADA	45,463	\$4,790,000	\$0	\$4,790,000	\$4,790,000				\$4,790,000				\$0	
1	12	12	EOU	Hunt Hall Demolition and Site Restoration	E&G	Demolition and Restoration	72,300	\$2,985,000	\$0	\$2,985,000		\$2,985,000			\$2,985,000				\$0	
1	13	13	UO	Learning and Innovation Hub - School of A&AA/Research Innovation Ctr	E&G	New	100,000	\$53,250,000	\$26,625,000	\$26,625,000	\$26,625,000				\$26,625,000			\$26,625,000	\$26,625,000	
University Funded	N/A	N/A	PSU	Broadway Housing Purchase	E&G	Building/Land Purchase	219,032	\$53,000,000	\$53,000,000	\$0	\$0	\$0			\$0		\$53,000,000	\$0	\$53,000,000	
Tier I and University Funded Projects Total							391,332	\$445,395,000	\$170,375,000	\$275,470,000	\$117,375,000	\$158,095,000	\$0	\$0	\$275,470,000	\$0	\$53,000,000	\$117,375,000	\$170,375,000	
Capital Reauthorization Projects																				
Project Information					Funding Type				State-Paid Debt				University-Paid Debt and Other Sources							
Tier	Rank	Numerical Rank	University	Project Name	Class	Type	GSF	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	
N/A	N/A	N/A	EOU	Eastern Learning Commons Planning/Design and Infrastructure Upgrades	E&G	Planning/Design	N/A	\$2,000,000	\$2,000,000	\$0					\$0		\$2,000,000		\$2,000,000	
N/A	N/A	N/A	OIT	Cornett Hall Renovation Design/Planning (Reauthorization)	E&G	Planning/Design	97,238	\$2,000,000	\$2,000,000	\$0					\$0		\$2,000,000		\$2,000,000	
N/A	N/A	N/A	OSU	OSU/Modular Data Center	E&G	Planning/New	TR0	\$7,000,000	\$7,000,000	\$0					\$0		\$7,000,000		\$7,000,000	
N/A	N/A	N/A	PSU	University Center Land Purchase	E&G	Land Purchase	N/A	\$7,900,000	\$7,900,000	\$0					\$0		\$7,900,000		\$7,900,000	
Capital Reauthorization Projects Total							97,238	\$18,900,000	\$18,900,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$18,900,000	\$0	\$18,900,000
Capital Projects Request Grand Total							488,570	464,295,000	189,275,000	275,470,000	117,375,000	158,095,000	-	-	275,470,000	-	71,900,000	117,375,000	189,275,000	

Tier I Project Descriptions

Public University

Major Construction/Acquisition Project Narrative |

[CB*G1]

[H2]

HECC Priority: 1

Campus: University Wide

Schools/Departments Affected: N/A

Project name: **Capital Renewal, Code, and Safety (Current Needs)**

Estimated start date: As Needed

Estimated completion date: N/A

Project type: Planning/design: ___ Land/real property acquisition: ___ New construction: ___ Addition: ___ Remodel: 100%

Project summary:

To provide for an omnibus capital funding category to address current capital repairs, code compliance, ADA and safety related projects. This \$65 million of State paid capital funding will significantly reduce the backlog of deferred maintenance at the seven public universities. Five million dollars in addition to the request of the seven universities was added to the Capital Repair and Renewal Fund to support significant ADA compliance issues on all campuses. These funds will be incorporated into the total funding pool and allocated using the same methodology as all funds, however, institutions, where they are able, should prioritize ADA compliance issues.

Facilities detail:

N/A

Estimated project cost: \$65,000,000

FUNDING REQUEST:

Funding Request	General Fund/Lottery Funds	Article XI-G Bonds	Article XI-F (1) Bonds*	Lottery Bonds	SELP Loans*	Seismic Grants	Article XI-Q Bonds*	Total
Agency Request							\$65,000,000	\$65,000,000
Governor's Budget							\$71,900,000	\$71,900,000
Legislatively Adopted								

* 10 year pro-forma will be requested for all self-support projects Article XI-F, SELP loan projects, some Article XI-Q bonds:

Total Project Cost per net usable square feet added or renovated: N/A

For Article XI-G bonds, source of matching funds (indicate sources, amounts): N/A

For additional required project funding (i.e., beyond requested state funds and Article XI-G matching funds) (indicate sources, amounts): N/A

DEBT SERVICE COSTS

Estimated biennial debt service	General Fund	Lottery Funds	Energy Savings (for SELP loan funded projects only)	Campus paid debt service (Article XI-F bonds, SELP loans, Article XI-Q bonds,	Total
Agency Request	\$8,411,883				\$8,411,883
Governor's Budget	\$9,304,837				\$9,304,837
Legislatively Adopted					

Energy savings for SELP loans (assumptions and calculation):

N/A

Debt service assumptions (number of years, estimated interest rate):

General Obligation bonds, 30 years: 5%

General Obligation bonds, 5 years, 4.1%

Lottery Bonds, 20 years, 5%

Taxable bonds (all or part of a sale, depends on the use): add 1%

SELP Loans, 20 years, 6%

Revenue sources for campus paid debt service :

N/A

HECC Priority: 2

Campus: Portland State University (PSU) Schools/Departments Affected: College of Liberal Arts & Sciences (Mathematics & Statistics, Speech & Hearing Sciences, Conflict Resolution, English, Philosophy and World Languages & Literature), School of Art & Design, Financial Aid, Student Financial Services and Admissions & Registration. Also affected are 37 classrooms and 18 class laboratories.

Project name: **Neuberger Hall Deferred Maintenance and Renovation**

Estimated start date: July 2015

Estimated completion date: September 2018

Project type: Planning/design: _____ New construction: ___ Remodel: 100%

Project summary:

Neuberger Hall is located at the heart of PSU's campus. The building has 37 classrooms and 18 class labs and approximately 24,000 square feet of student services. This core building is one of the most heavily utilized on campus, and most students visit Neuberger Hall for administration or education purposes many times during their college career. Aside from being a core classroom building, Neuberger Hall serves as the students' "front door" to the PSU campus.

Neuberger Hall is in very poor condition. The building is in urgent need of significant upgrade or replacement of its major systems to remain operational and address safety issues. Built in two phases in the 1960's, the building's major systems are past the end of their normal life cycle. Operating costs of the building have skyrocketed as the university has fought to keep this critical building open for students. There is a growing concern of a catastrophic failure that would force a closure of the building and cause a major disruption for students. Despite being one of the most heavily used buildings on the central campus, several areas of the building remain inaccessible to students, faculty, and staff with disabilities. Finally, the roof of the building is failing and there are several large water leaks into faculty offices and classrooms.

The building currently houses the following schools and departments; Mathematics & Statistics, Speech & Hearing Sciences, Conflict Resolution, English, Philosophy, Art & Design (partial) and World Languages & Literature. The building's classrooms, labs, student study spaces, and faculty offices are outdated and do not meet the needs of modern instruction. Finally, student services such as Admissions & Registration and Financial Aid found on the first floor are undersized, poorly designed, and lead to major frustrations for students and their families, especially at the start of fall term.

The proposed renovations will result in a building that better meets the needs of PSU's students and supports the university's efforts to achieve Oregon's 40-40-20 goal. Of particular importance for students, this project improves interior space within the building, creating room in the center of campus for cultural center(s) for underrepresented students and the creation of a new transfer student center.

Facilities detail:

The renovation of this 237,874 square foot building will eliminate all deferred maintenance in the building, including replacement of HVAC, electrical and fire prevention systems. The failing roof will be completely replaced eliminating the current significant rainwater leaks into faculty offices and classrooms. The building will be abated of most if not all hazardous materials including a significant amount of asbestos. Exterior envelope deficiencies will be addressed to improve the energy efficiency of the building. The building will meet or exceed LEED Silver requirements. Structural improvements to the building will be made as well as significant accessibility improvements. Replacing the façade, opening up the building to the street and providing daylight to spaces throughout the building to significantly improve the learning environment would also be done. Thirty-seven classrooms, 18 labs and a number of

study spaces will be modernized. Space for individual departments will be improved to better serve student, faculty, and staff. Particular emphasis will be given to the first floor, the location of Admissions & Registration and Financial Aid, key resources for all students at PSU.

Estimated project cost: \$70,000,000

FUNDING REQUEST:

Funding Request	General Fund/Lottery Funds	Article XI-G Bonds	Article XI-F (1) Bonds*	Lottery Bonds	SELP Loans*	Seismic Grants	Article XI-Q Bonds*	Total
Agency Request		\$10,000,000					\$50,000,000	\$60,000,000
Governor's Budget		\$10,000,000					\$50,000,000	\$60,000,000
Legislatively Adopted								

* 10 year pro-forma will be requested for all self-support projects Article XI-F, SELP loan projects, some Article XI-Q bonds:

Cost per net usable square feet added or renovated: \$294.27

For Article XI-G bonds, source of matching funds (indicate sources, amounts):

Funds from an Asbestos settlement: \$4,500,000, 100% of which are in hand. Gifts or university funds: \$5,500,000, none of which are currently in hand.

For additional required project funding (i.e., beyond requested state funds and Article XI-G matching funds) (indicate sources, amounts):

N/A

DEBT SERVICE COSTS

Estimated biennial debt service	General Fund	Lottery Funds	Energy Savings (for SELP loan funded projects only)	Campus paid debt service (Article XI-F bonds, SELP loans, Article XI-Q bonds,	Total
Agency Request	\$7,764,815				\$7,764,815
Governor's Budget	\$7,764,815				\$7,764,815
Legislatively Adopted					

Energy savings for SELP loans (assumptions and calculation): n/a

N/A

Debt service assumptions (number of years, estimated interest rate):

General Obligation bonds, 30 years: 5%

General Obligation bonds, 5 years, 4.1%

Lottery Bonds, 20 years, 5%

Taxable bonds (all or part of a sale, depends on the use): add 1%

SELP Loans, 20 years, 6%

Revenue sources for campus paid debt service:

N/A

HECC Priority: 3

Campus: Oregon State University

Schools/Departments Affected: College of Forestry

Project name: **Oregon Forest Science Complex**

Estimated start date: October 1, 2014

Estimated completion date: September 1, 2017

Project type: Planning/design 7.5% New construction: 43.5% Remodel: 49%

Project summary:

OSU's entire 2015-17 legislative capital funding request to the HECC including more detailed project information is located on the OSU Board of Trustees web site: http://oregonstate.edu/leadership/sites/default/files/trustees/agendas-minutes/doc140708-fac_appendix_b.pdf

The project will establish an applied research center in partnership with private sector manufacturers to drive the innovation, testing and educational programs necessary for private investment in advanced wood products manufacturing capacity in Oregon's rural communities. In addition, a new, state-of-the-art building demonstrating engineered wood products made-in-Oregon will house the Department of Wood Science and Engineering and enhance undergraduate instructional facilities within and around the existing Peavey Hall on the OSU Corvallis campus.

OSU investment/benefit justifications include the following:

- 1) A partnership to sustain and grow the OSU state-wide mission of creating industry and community partnerships for economic development through development of enhanced high-value product development of Oregon wood products
- 2) Facilities improvements that will significantly improve the capacity and quality of education for OSU students
- 3) Reduction in the OSU Deferred Maintenance Backlog
- 4) Enhanced recruitment and retention of key faculty, staff, undergraduate and graduate students

Facilities detail:

Renovation of 87,000 square-foot Peavey Hall Classroom Building and construction of a new 56,000 square foot research facility. Remodeled areas modernize, expand and increase efficiency of classrooms, student spaces, research, research support and administrative spaces. The new research space will be complement the existing research facilities and provide needed expansion of wood product development and testing and education.

Estimated project cost: \$60,000,000

FUNDING REQUEST:

Funding Request	General Fund/Lottery Funds	Article XI-G Bonds	Article XI-F (1) Bonds*	Lottery Bonds	SELP Loans*	Seismic Grants	Article XI-Q Bonds*	Total
Agency Request		\$30,000,000						\$30,000,000
Governor's Budget		\$30,000,000						\$30,000,000
Legislatively Adopted								

* 10 year pro-forma will be requested for all self-support projects Article XI-F, SELP loan projects, some Article XI-Q bonds:

Total Project Cost per net usable square feet added or renovated: \$699/SF

For Article XI-G bonds, source of matching funds:\$30,000,000 OSU Gifts Funds

For additional required project funding (i.e., beyond requested state funds and Article XI-G matching funds) (indicate sources, amounts): N/A

DEBT SERVICE COSTS

Estimated biennial debt service	General Fund	Lottery Funds	Energy Savings (for SELP loan funded projects only)	Campus paid debt service (Article XI-F bonds, SELP loans, Article XI-Q bonds,	Total
Agency Request	\$3,882,408				\$3,882,408
Governor's Budget	\$3,882,408				\$3,882,408
Legislatively Adopted					

Energy savings for SELP loans (assumptions and calculation):

Debt service assumptions (number of years, estimated interest rate):

General Obligation bonds, 30 years: 5%

General Obligation bonds, 5 years, 4.1%

Lottery Bonds, 20 years, 5%

Taxable bonds (all or part of a sale, depends on the use): add 1%

SELP Loans, 20 years, 6%

Revenue sources for campus paid debt service:

N/A

HECC Priority: 4

Campus: University of Oregon Schools/Departments Affected: Chemistry and Biochemistry Department, Material Science Institute, Institute of Molecular Biology

Project name: **Health and Safety Renovation of Klamath Hall for 21st Century Chemistry.**

Estimated start date: Summer 2016

Estimated completion date: Summer 2019

Project type (by percent of budget category): Planning/design 10% Land/real property acquisition: N.A. New construction: 18% Addition: N.A. Remodel: 72%

Project summary: The University of Oregon has seen science enrollments soaring in recent years; educating and retaining these highly trained individuals is critical to meeting the State's high-tech workforce needs. Sciences, therefore, are an essential area needing special attention if Oregon is to achieve its goal of 40 percent of Oregonians earning four-year degrees. Adequately supporting these goals at the UO, where undergraduate enrollment in chemistry alone has increased more than 30 percent in recent years, is increasingly handicapped by an urgent need to renovate Klamath Hall, a critical teaching and research hub within the UO science complex.

Facilities detail: This proposal converts all of the lab space on the 3rd floor of Klamath Hall into state-of-the-art, synthetically-oriented, high-density hooded laboratories and concurrently builds/outfits a new 4th floor of Klamath Hall for faculty and student offices. The renovated space will also house conference rooms and a new 80-person classroom/seminar room to replace the loss of similar style space currently on the 3rd floor. The total amount of renovated space is ~17,000-sf and new space is ~6,000-7,000-gsf. The renovated labs will be state-of-the-art, functionally more efficient, safer, and more conducive for modern research practices and needs.

Additionally the labs will be modular in design, allowing more flexible and efficient assignment of bench space, and in turn will increase capacity and increase the efficiency of building use. Modular labs will make it easier to alter the research footprint of Principal Investigators (PIs) such that groups can grow and contract more easily as funding/resources change.

Estimated project cost: \$18,500,000

FUNDING REQUEST:

Funding Request	General Fund/Lottery Funds	Article XI-G Bonds	Article XI-F (1) Bonds*	Lottery Bonds	SELP Loans*	Seismic Grants	Article XI-Q Bonds*	Total
Agency Request		\$6,250,000					\$6,000,000	\$12,250,000
Governor's Budget		\$6,250,000					\$6,000,000	\$12,250,000
Legislatively Adopted								

- 10 year pro-forma will be requested for all self-support projects Article XI-F, SELP loan projects, some Article XI-Q bonds:

Cost per net usable square feet added or renovated: Cost per assignable square feet new: \$600 Cost per assignable square feet renovated: \$873.

For Article XI-G bonds, source of matching funds (indicate sources, amounts):

Gifts, grants and other sources (\$6.25 million).

For additional required project funding (i.e., beyond requested state funds and Article XI-G matching funds) (indicate sources, amounts): N/A

DEBT SERVICE COSTS

Estimated biennial debt service	General Fund	Lottery Funds	Energy Savings (for SELP loan funded projects only)	Campus paid debt service (Article XI-F bonds, SELP loans, Article XI-Q bonds,	Total
Agency Request	\$1,951,975				\$1,951,975
Governor's Budget	\$1,951,975				\$1,951,975
Legislatively Adopted					

*20 year payback period

Energy savings for SELP loans (assumptions and calculation):

N/A

Debt service assumptions (number of years, estimated interest rate):

General Obligation bonds, 30 years: 5%

General Obligation bonds, 5 years, 4.1%

Lottery Bonds, 20 years, 5%

Taxable bonds (all or part of a sale, depends on the use): add 1%

SELP Loans, 20 years, 6%

Revenue sources for campus paid debt service :

N/A

HECC Priority: 5

Campus: Oregon State University

Schools/Departments Affected: Interdisciplinary Academic Program – All OSU Academic Divisions and the Hatfield Marine Science Center are affected

Project name: **Marine Studies Campus- Phase I**

Estimated start date: July 1, 2015

Estimated completion date: September 1, 2018

Project type: Planning/design 7.5% New construction: 92.5%

Project summary:

OSU's entire 2015-17 legislative capital funding request to the HECC including more detailed project information is located on the OSU Board of Trustees web site: http://oregonstate.edu/leadership/sites/default/files/trustees/agendas-minutes/doc140708-fac_appendix_b.pdf

The Marine Studies Campus represents OSU's strategic effort to achieve OSU's full potential as a leader in marine studies by bringing together key resources for research, education, and engagement. Envisioned as a new pathway for trans-disciplinary ocean science research, education and outreach, the Marine Studies Campus Phase I at the Hatfield Marine Science Center in Newport, Oregon will support teaching, research and engagement activities in marine studies, as well as serving as a key 'hub' for OSU's marine studies activities. OSU students will participate in highly productive marine science research through a deep immersion experience in marine science, technology, engineering, mathematics, and the arts and humanities – an innovative approach which will link natural sciences with theoretical and empirical capabilities in the social sciences and enhance OSU competitive national standing.

OSU investment/benefit justifications include the following:

- 1) Students will have outstanding access to state-of-the-art laboratories and nearby natural habitats - the Marine Studies Campus will serve as an innovative facility for attracting and retaining the highest performing OSU students and faculty
- 2) Enable and accelerate marine science collaboration and experiential learning opportunities for OSU students and faculty
- 3) Increase instructional space capacity to support OSU's commitment to Oregon's 40-40-20 commitment

Facilities detail:

The new 105,000 SF building will feature research laboratories that encourage a strong student learning and participation presence, classrooms and an auditorium, student labs and student project and support spaces as well as academic and administrative space.

Estimated project cost: \$50,000,000

FUNDING REQUEST:

Funding Request	General Fund/Lottery Funds	Article XI-G Bonds	Article XI-F (1) Bonds*	Lottery Bonds	SELP Loans*	Seismic Grants	Article XI-Q Bonds*	Total
Agency Request		\$25,000,000						\$25,000,000
Governor's Budget		\$25,000,000						\$25,000,000
Legislatively Adopted								

* 10 year pro-forma will be requested for all self-support projects Article XI-F, SELP loan projects, some Article XI-Q bonds:

Total Project Cost per net usable square feet added or renovated: \$732/SF

For Article XI-G bonds, source of matching funds (indicate sources, amounts): \$25,000,000 OSU Gifts Funds

For additional required project funding (i.e., beyond requested state funds and Article XI-G matching funds) (indicate sources, amounts): N/A

DEBT SERVICE COSTS

Estimated biennial debt service	General Fund	Lottery Funds	Energy Savings (for SELP loan funded projects only)	Campus paid debt service (Article XI-F bonds, SELP loans, Article XI-Q bonds,	Total
Agency Request	\$3,235,340				\$3,235,340
Governor's Budget	\$3,235,340				\$3,235,340
Legislatively Adopted					

Energy savings for SELP loans (assumptions and calculation):

Debt service assumptions (number of years, estimated interest rate):

General Obligation bonds, 30 years, 5%

General Obligation bonds, 5 years, 4.1%

Lottery Bonds, 20 years, 5%

Taxable bonds (all or part of a sale, depends on the use): add 1%

SELP Loans, 20 years, 6%

Revenue sources for campus paid debt service: N/A

HECC Priority: 6

Campus: University of Oregon (UO) Schools/Departments Affected: College of Arts and Sciences (CAS), Career Center, Registrar (University Classrooms)

Project name: **The College and Careers Building**

Estimated start date: Summer 2016

Estimated completion date: Summer 2019

Project type (by percent of budget category):

Planning/design 6% Land/real property acquisition: ___. New construction: 85% Addition: ___. Remodel: 9%

Project summary: The College and Careers Building project will enhance student recruitment, retention, graduation, and future success by merging core academic activities with advising on career opportunities. The project supports the State of Oregon's 40-40-20 Goal and key UO metrics for student access and success, as well as first priority space and infrastructure needs as identified in the University's Space Needs Assessment Report.

The project will provide: a) much needed classroom and office space in the campus core, b) a home for the University's College of Arts and Sciences, and c) a home for the Career Center. Moving multiple units into this building will create new capacity for academic spaces that will be updated and renovated as part of the overall project.

Facilities detail:

The College and Careers Building project will be a three-to-four-story, approximately 50,000-gsf new steel or concrete frame with brick exterior building built in the academic core of campus. The space will roughly break out as follows: individual workspaces – offices, workstations (60%); university classrooms and other informal learning spaces (25% - 300-450 new seats); department-controlled teaching and other (5%); and support and technical work areas (10%). Approximately 25,000-gsf (14,000-asf) of modernized and renovated faculty offices, seminar rooms and other departmental space released for other academic uses in Columbia, Pacific, Friendly, and Hendricks Halls are a part of this project. The project will achieve a minimum of LEED Gold certification and be at least 35% more efficient than the SEED standard code set in the 2010 Oregon Energy Code requirements.

Estimated project cost: \$34,000,000

FUNDING REQUEST:

Funding Request	General Fund/Lottery Funds	Article XI-G Bonds	Article XI-F (1) Bonds*	Lottery Bonds	SELP Loans*	Seismic Grants	Article XI-Q Bonds*	Total
Agency Request		\$17,000,000						\$17,000,000
Governor's Budget		\$17,000,000						\$17,000,000
Legislatively Adopted								

- 10 year pro-forma will be requested for all self-support projects Article XI-F, SELP loan projects, some Article XI-Q bonds:

Cost per net usable square feet added or renovated: Cost per assignable square feet new: \$1,069. Cost per assignable square feet renovated: \$214

For Article XI-G bonds, source of matching funds (indicate sources, amounts):

Gifts, grants and other sources (\$17 million).

For additional required project funding (i.e., beyond requested state funds and Article XI-G matching funds) (indicate sources, amounts): N/A

DEBT SERVICE COSTS

Estimated biennial debt service	General Fund	Lottery Funds	Energy Savings (for SELP loan funded projects only)	Campus paid debt service (Article XI-F bonds, SELP loans, Article XI-Q bonds,	Total
Agency Request	\$2,200,031				\$2,200,031
Governor's Budget	\$2,200,031				\$2,200,031
Legislatively Adopted					

Energy savings for SELP loans (assumptions and calculation):

N/A

Debt service assumptions (number of years, estimated interest rate):

General Obligation bonds, 30 years: 5%

General Obligation bonds, 5 years, 4.1%

Lottery Bonds, 20 years, 5%

Taxable bonds (all or part of a sale, depends on the use): add 1%

SELP Loans, 20 years, 6%

Revenue sources for campus paid debt service :

N/A

HECC Priority: 7

Campus: Oregon Tech, Klamath Falls

Schools/Departments Affected: College of Engineering, Technology & Management (ETM)

Project name: **Center for Excellence in Engineering and Technology Pre-Development**

Estimated start date: April 2015 (planning & design)

Estimated completion date: Spring 2017

Project type :

Planning/design: ____ Land/real property acquisition: ____ New construction: 30% Addition: ____ Remodel: 70%

Project summary (describe the nature and purpose of the project):

Oregon Tech's current Facility Master Plan includes concepts for the modernization and expansion of the existing Engineering & Technology Building (Cornett Hall) on the Klamath Falls campus. This project is Oregon Tech's top priority as our College of Engineering, Technology & Management (ETM) is one of the two academic pillars of the University, alongside the College of Health, Arts & Science – housed primarily in the recently built Dow Center. The existing building is far beyond its useful life, full of code and ADA compliance issues and in need of seismic retrofit. The deferred maintenance backlog for this building is approx. \$12.6 million or 36% of the University's total backlog. This project would provide pre-development money to move the project forward which, once completed would ensure a safe, dynamic space for multiple academic programs to flourish, including civil, mechanical, and renewable energy engineering. This project will also benefit Oregon Tech-sponsored training opportunities for middle and high school technology teachers, expanded space for the Oregon Renewable Energy Center and our coordinated classes with Klamath Community College.

Facilities detail (describe the technical project, including appropriate metrics: acres, square feet, number of stories, classrooms, labs, etc.):

Authorization of these bond proceeds supports the pre-development of the Center for Excellence in Engineering and Technology.

Estimated project cost: \$3,500,000

FUNDING REQUEST:

Funding Request	General Fund/Lottery Funds	Article XI-G Bonds	Article XI-F (1) Bonds*	Lottery Bonds	SELP Loans*	Seismic Grants	Article XI-Q Bonds*	Total
Agency Request		\$750,000	\$3,000,000				\$43,500,000	\$47,250,000
Governor's Budget							\$3,500,000	\$3,500,000
Legislatively Adopted								

* 10 year pro-forma will be requested for all self-support projects Article XI-F, SELP loan projects, some Article XI-Q bonds:

N/A

Cost per net usable square feet added or renovated: N/A

For Article XI-G bonds, source of matching funds (indicate sources, amounts):

For additional required project funding (i.e., beyond requested state funds and Article XI-G matching funds) (indicate sources, amounts):

N/A

DEBT SERVICE COSTS

Estimated biennial debt service	General Fund	Lottery Funds	Energy Savings (for SELP loan funded projects only)	Campus paid debt service (Article XI-F bonds, SELP loans, Article XI-Q bonds,	Total
Agency Request	\$5,726,551			\$388,241	\$6,114,792
Governor's Budget	\$452,948				\$452,948
Legislatively Adopted					

Energy savings for SELP loans (assumptions and calculation):

N/A

Debt service assumptions (number of years, estimated interest rate):

General Obligation Bonds, 30 years: 5%

General Obligation Bonds, 5 years, 4.1%

Lottery Bonds, 20 years, 5%

Taxable Bonds (all or part of a sale, depends on the use): add 1%

SELP Loans, 20 years, 6%

Revenue sources for campus paid debt service:

HECC Priority: 8

Campus: Oregon Tech, Klamath Falls

Schools/Departments Affected: College of Engineering, Technology & Management (ETM)

Project name: **Boivin Hall Modernization**

Estimated start date: Summer 2016 (planning & design)

Estimated completion date: Spring 2018

Project type :

Planning/design: ____ Land/real property acquisition: ____ New construction: _ Addition: ____ Remodel: 100%

Project summary (describe the nature and purpose of the project):

The project is to ensure the safety and effective learning environment of Boivin Hall through modernization and upgrades into a LEED Silver classroom and lab building. This building is the first building in view when entering the Klamath Falls campus.

Facilities detail (describe the technical project, including appropriate metrics: acres, square feet, number of stories, classrooms, labs, etc.):

Renovation of Boivin Hall, a one story classroom/lab building with 47,400 gross square feet (LEED Silver). The scope of the building remodel includes the complete redevelopment of the interior and a limited amount of building envelope upgrades. The project includes substantial upgrades to all of the building systems, including bringing the buildings to compliance with current building and safety codes, ADA, and other pertinent regulations.

Estimated project cost (include design and planning, hard and soft construction costs, land and real property acquisition, infrastructure development, furnishings and fixtures, contingencies, etc., regardless of the proposed funding model):

Estimated project cost: \$7,420,000

FUNDING REQUEST:

Funding Request	General Fund/Lottery Funds	Article XI-G Bonds	Article XI-F (1) Bonds*	Lottery Bonds	SELP Loans*	Seismic Grants	Article XI-Q Bonds*	Total
Agency Request							\$7,420,000	\$7,420,000
Governor's Budget							\$7,420,000	\$7,420,000
Legislatively Adopted								

* 10 year pro-forma will be requested for all self-support projects Article XI-F, SELP loan projects, some Article XI-Q bonds:

N/A

Cost per net usable square feet added or renovated: N/A

For Article XI-G bonds, source of matching funds (indicate sources, amounts):

For additional required project funding (i.e., beyond requested state funds and Article XI-G matching funds) (indicate sources, amounts):

N/A

DEBT SERVICE COSTS

Estimated biennial debt service	General Fund	Lottery Funds	Energy Savings (for SELP loan funded projects only)	Campus paid debt service (Article XI-F bonds, SELP loans, Article XI-Q bonds,	Total
Agency Request	\$960,249				\$960,249
Governor's Budget	\$960,249				\$960,249
Legislatively Adopted					

Energy savings for SELP loans (assumptions and calculation):

N/A

Debt service assumptions (number of years, estimated interest rate):

General Obligation Bonds, 30 years: 5%

General Obligation Bonds, 5 years, 4.1%

Lottery Bonds, 20 years, 5%

Taxable Bonds (all or part of a sale, depends on the use): add 1%

SELP Loans, 20 years, 6%

Revenue sources for campus paid debt service:

HECC Priority: 9

Campus: University of Oregon (UO) Schools/Departments Affected: Clark Honors College, Registrar (University Classrooms)

Project name: **Chapman Hall Renovations - Seismic Upgrade and Deferred Maintenance**

Estimated start date: Summer 2016

Estimated completion date: Summer 2018

Project type (by percent of budget category): Planning/design 10% Remodel: 90%

Project summary: The University has an extremely urgent need to address critical deferred maintenance and seismic upgrade needs in Chapman Hall, the home of the Clark Honors College and one of the campus highest ranking historic buildings. Founded in 1960, the UO's Robert D. Clark Honors College is the oldest honors college in the U.S. In response to the recent rise in enrollment and the corresponding pressure on the Honors College to accept more of the State's best and brightest students, the University has emptied whole floors of the building to accommodate the College's space needs. This project will strengthen the Honors College's identity and will consolidate College functions in one location. As stewards of a State of Oregon architectural historic treasure and in response to the burgeoning needs of the outstanding Clark Honors College, the University has an urgent need to act as soon as possible.

This project will contribute to the University's capacity to attract and retain high achieving students from Oregon, thereby making a major contribution to Oregon's 40-40-20 Plan.

Facilities detail: The project will completely renovate Chapman Hall, home of the Clark Honors College. In this process, most of the building's systems including windows, heating and ventilating systems, electrical systems, and plumbing systems will be replaced. The need for seismic remediation will be addressed, as well as a complete remodel of the general university classrooms in the building. The complete renovation and reorganization of College spaces will integrate existing classrooms and faculty offices with student lounges, computer facilities, and study areas. The work also will address access for disabled students and staff, safety, energy efficiency, and functional issues resulting in an efficient, safe, and welcoming structure for the University's highest achieving scholars.

Estimated project cost (include design and planning, hard and soft construction costs, land and real property acquisition, infrastructure development, furnishings and fixtures, contingencies, etc., regardless of the proposed funding model):

FUNDING REQUEST:

Funding Request	General Fund/Lottery Funds	Article XI-G Bonds	Article XI-F (1) Bonds*	Lottery Bonds	SELP Loans*	Seismic Grants	Article XI-Q Bonds*	Total
Agency Request		\$2,500,000					\$5,500,000	\$8,000,000
Governor's Budget		\$2,500,000					\$5,500,000	\$8,000,000
Legislatively Adopted								

- 10 year pro-forma will be requested for all self-support projects Article XI-F, SELP loan projects, some Article XI-Q bonds:

Cost per net usable square feet added or renovated: Cost per assignable square feet renovated: \$762.

For Article XI-G bonds, source of matching funds (indicate sources, amounts):

Gifts, grants and other sources (\$2.5 million).

For additional required project funding (i.e., beyond requested state funds and Article XI-G matching funds)(indicate sources, amounts): N/A

DEBT SERVICE COSTS

Estimated biennial debt service	General Fund	Lottery Funds	Energy Savings (for SELP loan funded projects only)	Campus paid debt service (Article XI-F bonds, SELP loans, Article XI-Q bonds,	Total
Agency Request	\$1,274,759				\$1,274,759
Governor's Budget	\$1,274,759				\$1,274,759
Legislatively Adopted					

*20 year payback period

Energy savings for SELP loans (assumptions and calculation):

N/A

Debt service assumptions (number of years, estimated interest rate):

General Obligation bonds, 30 years: 5%

General Obligation bonds, 5 years, 4.1%

Lottery Bonds, 20 years, 5%

Taxable bonds (all or part of a sale, depends on the use): add 1%

SELP Loans, 20 years, 6%

Revenue sources for campus paid debt service :

N/A

HECC Priority: 10

Campus: Western Oregon University (WOU) Schools/Departments Affected: College of Liberal Arts and Science; Natural Sciences

Project name: Natural Science Building Renovation

Estimated start date: March 2017 Estimated completion date: September 2019

Project type:

Planning/design 30% Land/real property acquisition: _____ New construction: _____ Addition: _____ Remodel: 70%

Project summary:

Since the "wet lab" sciences: chemistry, and anatomy and physiology, relocated to the newly completed DeVolder Family Science Center, the Natural Science building (NS) will now be exclusively dedicated to the physical and natural sciences. To make this transition successful it is necessary to renovate and remodel the vacated labs and much of the building itself to bring it into compliance with ADA and current building codes. This project will make it possible to reorganize and expand Western's science program to accommodate new and relevant trends in science, and the anticipated increase in student enrollment.

Over the past decade the natural science disciplines have been WOU's fastest growing majors. Students in these programs become the science teachers in our high schools, the science technicians employed in industry and government and the graduate students who will make scientific contributions that help Oregon and the country for decades.

This project is necessary to create much needed science laboratory space providing more students a higher quality education. The office renovations are critical for a campus like WOU, where regular student and faculty interaction, advising, and mentoring form the core of the student's educational experience.

The functional and operations upgrades are necessary to reduce campus ADA deficiencies costs by approximately \$800K, reduce campus seismic deficiencies cost by approximately \$500K reduce campus Deferred Maintenance costs by approximately \$1.5M, assure the safety of users, reduce operation and maintenance costs, and increase energy efficiency of the building.

Facilities detail (describe the technical project, including appropriate metrics: acres, square feet number of stories, classrooms, labs, etc.).

Constructed in 1970, the Natural Science building is a 2-story structure with a built-out basement with has a gross area of , 47,000 sq. ft. It houses 25 offices, 12 class labs, and 5 classrooms, with a total occupancy capacity of 576. The Project will remodel and renovate approximately 70% of this 44 year-old science facility including its mechanical, electrical, and plumbing systems. It will affect 2-3 classrooms, 6 -10 class labs, 4 restrooms, and all offices. Based on the results of an Enhanced Rapid Visual Screening (E-RVS) assessment, conducted by Oregon Department of Geology and Mineral Industries (DOGAMI), the Natural Science building is structurally stable with only 1% "probability of complete damage" under severe ground shaking levels equivalent to those currently used for the seismic design of new buildings. However NS lacks seismic bracing for building equipment, ceiling tile, and other systems as required by today's code.

The scope of work for this project includes but is not limited to:

- remodel and renovate vacated "wet labs", and related ancillary space,
- replace transformer, main distribution panel, and feeders of electrical system,
- retrofit lighting with energy efficient fixtures,
- remodel all four existing restrooms to make them fully compliant with ADA guidelines,
- remodel offices and widen doorways to correct ADA deficiencies,
- replace obsolete elevator equipment and controls; and refurbish elevator car,
- replace existing plumbing pipe throughout the building,
- upgrade HVAC equipment and controls in the entire building,

- rebuild rooftop greenhouse,
- replace door hardware throughout with lever handles, and
- remodel lab/classrooms

Estimated project cost (include design and planning, hard and soft construction costs, land and real property acquisition, infrastructure development, furnishings and fixtures, contingencies, etc., regardless of the proposed funding model): \$6,000,000

FUNDING REQUEST:

Funding Request	General Fund/Lottery Funds	Article XI-G Bonds	Article XI-F (1) Bonds*	Lottery Bonds	SELP Loans*	Seismic Grants	Article XI-Q Bonds*	Total
Agency Request							\$6,000,000	\$6,000,000
Governor’s Budget							\$6,000,000	\$6,000,000
Legislatively Adopted								

* 10 year pro-forma will be requested for all self-support projects Article XI-F, SELP loan projects, some Article XI-Q bonds:

Cost per net usable square feet added or renovated: \$182/ Sq. Ft.

For Article XI-G bonds, source of matching funds (indicate sources, amounts): N/A

For additional required project funding (i.e., beyond requested state funds and Article XI-G matching funds) (indicate sources, amounts): N/A

DEBT SERVICE COSTS

Estimated biennial debt service	General Fund	Lottery Funds	Energy Savings (for SELP loan funded projects only)	Campus paid debt service (Article XI-F bonds, SELP loans, Article XI-Q bonds,	Total
Agency Request	\$776,482				\$776,482
Governor’s Budget	\$776,482				\$776,482
Legislatively Adopted					

Energy savings for SELP loans (assumptions and calculation): N/A

Debt service assumptions (number of years, estimated interest rate): N/A

Revenue sources for campus paid debt service: N/A

HECC Priority: 11

Campus: Southern Oregon University (SOU)

Schools/Departments Affected: OHSU Nursing, Communications Dept., Admissions, Enrollment Services, Campus Shared, Services, International Programs

Project name: **Britt Hall Seismic Retrofit/Mechanical Renovation**

Estimated start date: Fall 2016

Estimated completion date: Summer 2017

Project type (please indicate percent of budget in each category; total should add to 100%):

Planning/design: ___ Land/real property acquisition: ___ New construction: ___ Addition: ___ Remodel: 100%

Project summary (describe the nature and purpose of the project):

Britt Hall is the 2nd oldest facility on the SOU campus and has been repurposed many times over its history. This project would “stiffen” the building to meet current seismic standards and modify the existing HVAC system to meet current loads. Sprinklers and a new fire alarm system along with renovated bathrooms to meet current ADA needs would also be completed.

Facilities detail (describe the technical project, including appropriate metrics: acres, square feet, number of stories, classrooms, labs, etc.):

Remodel of existing 66,980 sq. ft. multi-use administration, classroom and student services building. The building is two stories with a basement and serves as the “front door” to visitors and prospective students. It is of wood and concrete construction. It currently has one classroom, 5 teaching labs, and 1 computer lab. The building houses OHSU teaching and practicum labs in the basement, student enrollment services (academic services, registration, and student accounts), admissions and communications department on the first floor and shared services dept. on the second floor.

Estimated project cost (include design and planning, hard and soft construction costs, land and real property acquisition, infrastructure development, furnishings and fixtures, contingencies, etc., regardless of the proposed funding model):

The seismic retrofit and HVAC upgrade is estimated at 171.88 per sq. ft. The total square footage of facility is 66,980 x 71.88.00 = \$4,788,000

FUNDING REQUEST:

Funding Request	General Fund/Lottery Funds	Article XI-G Bonds	Article XI-F (1) Bonds*	Lottery Bonds	SELP Loans*	Seismic Grants	Article XI-Q Bonds*	Total
Agency Request							\$4,788,000	\$4,788,000
Governor’s Budget							\$4,788,000	\$4,788,000
Legislatively Adopted								

* 10 year pro-forma will be requested for all self-support projects Article XI-F, SELP loan projects, some Article XI-Q bonds:

Cost per net usable square feet added or renovated: \$261.02 (41,376 net sq. ft.)

For Article XI-G bonds, source of matching funds (indicate sources, amounts): N/A

For additional required project funding (i.e., beyond requested state funds and Article XI-G matching funds) (indicate sources, amounts): N/A

DEBT SERVICE COSTS

Estimated biennial debt service	General Fund	Lottery Funds	Energy Savings (for SELP loan funded projects only)	Campus paid debt service (Article XI-F bonds, SELP loans, Article XI-Q bonds,	Total
Agency Request	\$619,632				\$619,632
Governor's Budget	\$619,632				\$619,632
Legislatively Adopted					

Energy savings for SELP loans (assumptions and calculation): This project would qualify for SELP loan funding due to inefficient HVAC system. However, a study would need to be completed to determine amount as the building has a unique design with an arched roof and few external windows.

Debt service assumptions (number of years, estimated interest rate):

General Obligation bonds, 30 years, 5%

General Obligation bonds, 5 years, 4.1%

Lottery Bonds, 20 years, 5%

Taxable bonds (all or part of a sale, depends on the use): add 1%

SELP Loans, 20 years, 6%

Revenue sources for campus paid debt service: N/A

HECC Priority: 12

Campus: Eastern Oregon University (EOU)

Schools/Departments Affected: Academic Support; Information Technology; Information Services; Distance Learning Programs; Library Services; Media Arts & Communication; Admissions; Shipping & Receiving

Project name: **Hunt Hall Demolition and Site Restoration**

Estimated start date: February 2017

Estimated completion date: July 2019

Project type: Planning/design: ___ Land/real property acquisition: ___ New construction: ___ Addition: ___ Remodel: 100%

Project summary

The project will remove a 72,300 sf facility that is deteriorating, undesirable and has the highest cost/sf ratios on the campus for utilities, repair and maintenance. Demolition scope includes extensive abatement of hazardous materials, the complete removal of the building, decommissioning of utilities serving the facility, and site restoration. Work will be observed by a consulting archeologist and may include appropriate restoration of historic native burials. That building will be replaced with a 36,700 sf, extremely desirable and highly efficient facility that will fulfill needs critical to EOU's mission.

Facilities detail (describe the technical project, including appropriate metrics: acres, square feet, number of stories, classrooms, labs, etc.).

The project will remove a 72,300 sf facility that is deteriorating at the eastern entrance of campus, site work will cover approximately 200,000 sf of campus area including Hunt Hall and surrounding area.

Estimated project cost: **\$2,985,000**

FUNDING REQUEST:

Funding Request	General Fund/Lottery Funds	Article XI-G Bonds	Article XI-F (1) Bonds*	Lottery Bonds	SELP Loans*	Seismic Grants	Article XI-Q Bonds*	Total
Agency Request							\$25,169,300	\$25,169,300
Governor's Budget							\$2,985,000	\$2,985,000
Legislatively Adopted								

* 10 year pro-forma will be requested for all self-support projects Article XI-F, SELP loan projects, some Article XI-Q bonds:

Cost per net usable square feet added or renovated: N/A

For Article XI-G bonds, source of matching funds (indicate sources, amounts): N/A

For additional required project funding (i.e., beyond requested state funds and Article XI-G matching funds) (indicate sources, amounts): N/A

DEBT SERVICE COSTS

Estimated biennial debt service	General Fund	Lottery Funds	Energy Savings (for SELP loan funded projects only)	Campus paid debt service (Article XI-F bonds, SELP loans, Article XI-Q bonds,	Total
Agency Request	\$3,257,249				\$3,257,249
Governor's Budget	\$386,300				\$386,300
Legislatively Adopted					

Energy savings for SELP loans (assumptions and calculation): N/A

Debt service assumptions (number of years, estimated interest rate):

General Obligation bonds, 30 years: 5%

General Obligation bonds, 5 years, 4.1%

Lottery Bonds, 20 years, 5%

Taxable bonds (all or part of a sale, depends on the use): add 1%

SELP Loans, 20 years, 6%

Revenue sources for campus paid debt service: N/A

HECC Priority: 13

Campus: University of Oregon (UO) Schools/Departments Affected: School of Architecture and Allied Arts (A&AA), Office for Research and Innovation (ORI), Registrar (University Classrooms)

Project name: **The Learning and Innovation Hub - School of Architecture and Allied Arts/Research Innovation Center**

Estimated start date: Summer 2016

Estimated completion date: Summer 2019

Project type (by percent of budget category): Planning/design 10% Land/real property acquisition: N.A. New construction: 90% Addition: N.A. Remodel:

Project summary: The A&AA/ORI Center will enhance student recruitment, retention, graduation, and future success by providing an epicenter for design thinking, collaborative innovation, social responsibility and world class-applied research. As such, the project supports central elements of the Oregon's 40-40-20 goal and key UO metrics for student access and success, as well as first priority space and infrastructure needs as identified in the University's Space Needs Assessment Report.

The A&AA/ORI Center will provide: a) more than 50% of the university's needed classroom space at the intersection of the campus core and the community; b) a home for the Material Studies and Product Design Program; c) a home for the Regional Accelerator and Innovation Network (RAIN); d) the Tyler Invention Greenhouse – for interdisciplinary work in green chemistry and product creation; e) studio, laboratory and fabrication space for digital arts, metalsmithing, sculpture, ceramics, and photography; and f) a significant number of faculty offices for the support of students. Moving existing units into this building will release underutilized spaces on and off campus and will alleviate the need to lease off-campus space.

Facilities detail:

The A&AA/ORI Center will be a three-to-five story, approximately 100,000-gsf new building anchoring the south edge of the academic core of campus. The space will be roughly allocated as follows: general university classrooms (18% - 730 new seats); ORI programs (23%); A&AA Product Design (15%), A&AA Art (44%).

The project will achieve a minimum of LEED Gold certification and be at least 35% more efficient than the SEED standard code set in the 2010 Oregon Energy Code requirements.

Estimated project cost (include design and planning, hard and soft construction costs, land and real property acquisition, infrastructure development, furnishings and fixtures, contingencies, etc., regardless of the proposed funding model):

FUNDING REQUEST:

Funding Request	General Fund/Lottery Funds	Article XI-G Bonds	Article XI-F (1) Bonds*	Lottery Bonds	SELP Loans*	Seismic Grants	Article XI-Q Bonds*	Total
Agency Request		\$26,625,000						\$26,625,000
Governor's Budget		\$26,625,000						\$26,625,000
Legislatively Adopted								

- 10 year pro-forma will be requested for all self-support projects Article XI-F, SELP loan projects, some Article XI-Q bonds:

Cost per net usable square feet added or renovated: Cost per assignable square feet new: \$753.

For Article XI-G bonds, source of matching funds (indicate sources, amounts):

Gifts, grants and other sources (\$26.625 million).

For additional required project funding (i.e., beyond requested state funds and Article XI-G matching funds) (indicate sources, amounts):

N/A

DEBT SERVICE COSTS

Estimated biennial debt service	General Fund	Lottery Funds	Energy Savings (for SELP loan funded projects only)	Campus paid debt service (Article XI-F bonds, SELP loans, Article XI-Q bonds,	Total
Agency Request	\$3,445,637				\$3,445,637
Governor's Budget	\$3,445,637				\$3,445,637
Legislatively Adopted					

Energy savings for SELP loans (assumptions and calculation):

N/A

Debt service assumptions (number of years, estimated interest rate):

General Obligation bonds, 30 years, 5%

General Obligation bonds, 5 years, 4.1%

Lottery Bonds, 20 years, 5%

Taxable bonds (all or part of a sale, depends on the use): add 1%

SELP Loans, 20 years, 6%

Revenue sources for campus paid debt service:

N/A

University Funded Project Descriptions

Public University

Major Construction/Acquisition Project Narrative

Campus: Portland State University (PSU) Schools/Departments Affected: Student Health and Counseling, Oregon Center for Career Development, the Intensive English Language Program and various College of Liberal Arts and Sciences departments

Project name: **University Center Land Purchase**

Estimated start date: July 2015

Estimated completion date: June 2016

Project type:

Planning/design _____ Land/real property acquisition: 100% _____ New construction: _____ Addition: _____ Remodel: _____

Project summary:

PSU currently owns the University Center Building (UCB) but not the underlying land. PSU has a long-term land lease that expires in 2023 at which time the improvements revert back to the landlord. The lease rate is scheduled to increase from \$748,230/year to \$1,724,820/year in 2018. Debt service on the land, if owned by PSU, is anticipated to be less than the current lease rate until 2018 and significantly less beginning in 2018. PSU received authorization in the 2013 legislative session for \$10 million in XI-F bonds. This request is for a reauthorization of XI-F bonds, but a reduction to \$7.9 million which is the maximum amount of the land purchase. Due to the importance and location of this building on the PSU campus it is important that PSU control the land as well as the building. The purchase of the land allows for long-term use of the block by PSU, allows for greater investment in the facility which needs significant improvements and saves the university money starting in the first year after the land is acquired.

Facilities detail.

The University Center Building was constructed in 1970 and is 185,389 gross sq. ft. The concrete, steel and glass building houses the Center for Student Health and Counseling, various College of Liberal Arts and Sciences departments, the Oregon Center for Career Development and the Intensive English Language Program. The building has one retail tenant and 207 parking spaces. PSU has made some improvements to the University Center Building, including a recent expansion of the Center for Student Health and Counseling.

Estimated project cost: \$7,900,000

FUNDING REQUEST:

Funding Request	General Fund/Lottery Funds	Article XI-G Bonds	Article XI-F (1) Bonds*	Lottery Bonds	SELP Loans*	Seismic Grants	Article XI-Q Bonds*	Total
Agency Request			\$7,900,000					\$7,900,000
Governor's Budget			\$7,900,000					\$7,900,000
Legislatively Adopted								

* 10 year pro-forma will be requested for all self-support projects Article XI-F, SELP loan projects, some Article XI-Q bonds:

Cost per net usable square feet added or renovated: N/A

For Article XI-G bonds, source of matching funds (indicate sources, amounts): N/A

For additional required project funding (i.e., beyond requested state funds and Article XI-G matching funds) (indicate sources, amounts): N/A

DEBT SERVICE COSTS (assumes 10% taxable XI-F, 90% non-tax XI-F)

Estimated biennial debt service	General Fund	Lottery Funds	Energy Savings (for SELP loan funded projects only)	Campus paid debt service (Article XI-F bonds, SELP loans, Article XI-Q bonds,	Total
Agency Request				\$1,022,367	\$1,022,367
Governor's Budget				\$1,022,367	\$1,022,367
Legislatively Adopted					

Energy savings for SELP loans (assumptions and calculation): N/A

Debt service assumptions (number of years, estimated interest rate):

General Obligation bonds, 30 years: 5%

General Obligation bonds, 5 years, 4.1%

Lottery Bonds, 20 years, 5%

Taxable bonds (all or part of a sale, depends on the use): add 1%

SELP Loans, 20 years, 6%

Revenue sources for campus paid debt service :

Health services revenue, parking revenue and education and general fund.

Capital Reauthorization Project Descriptions

Public University

Major Construction/Acquisition Project Narrative

Campus: Eastern Oregon University (EOU)
Technology

Schools/Departments Affected: College of Education and Business; Information

Project name: **Eastern Learning Commons Planning/Design and Infrastructure Upgrades**

Estimated start date: July 2015

Estimated completion date: July 2016

Project type:

Planning/design 100% Land/real property acquisition: New construction: Addition: Remodel:

Project summary:

Complete the planning, Concept Design, Schematic Design and Design Development for the Eastern Learning Commons Project; purchs and install equipment for the Preliminary Network Infrastructure Upgrades. The ELC is initially intended to be a multi-use facility, creating a complete learning-centered environment that will be the nexus of technology on campus. It will be designed to provide 3-4 live capture Distance Learning classrooms in a live-learn environment, and facilitate quick adaptation to emerging and evolving programs with a particular focus on technology-rich curricula such as EOU's growing Media Arts/Communication program. The technology hum will meet the University's needs to replace end-of-life infrastructure and provide a fault-tolerant, high capacity network and a unified home for all information technology services for the campus. The project also includes the demolition and site restoration for the aging Hunt Hall that has been partly non-operational since the 1970's due to mechanical and life safety problems.

Facilities detail.

Phase I construction will be a new one-story technology center and classroom building of approximately 20,000 sq. ft. and all related site work. The project will be constructed to LEED Gold standards and is anticipated to be certified. The building will consist of a 4,500 gsf Data Center; 7,500 gsf of information technology labs, workrooms, offices and associated support space; and 8,000 gsf of instructional space to support technology-rich curricula and EOU's distance learning programs with associated student service spaces, such as informatl gathering and activity areas. Phase II construct ion will be a new two or three-story residence hall of approximately 45,000 sq. ft. The project will be constructe to LEED Gold standards and is anticipated to be certified. The building will consist of residential bedrooms and associated living and support spaces to house a total of 150 residential students.

Estimated project cost: \$2,000,000

FUNDING REQUEST:

Funding Request	General Fund/Lottery Funds	Article XI-G Bonds	Article XI-F (1) Bonds*	Lottery Bonds	SELP Loans*	Seismic Grants	Article XI-Q Bonds*	Total
Agency Request								
Governor's Budget			\$2,000,000					\$2,000,000
Legislatively Adopted								

* 10 year pro-forma will be requested for all self-support projects Article XI-F, SELP loan projects, some Article XI-Q bonds:

Cost per net usable square feet added or renovated: N/A

For Article XI-G bonds, source of matching funds (indicate sources, amounts): N/A

For additional required project funding (i.e., beyond requested state funds and Article XI-G matching funds) (indicate sources, amounts): N/A

DEBT SERVICE COSTS (assumes 10% taxable XI-F, 90% non-tax XI-F)

Estimated biennial debt service	General Fund	Lottery Funds	Energy Savings (for SELP loan funded projects only)	Campus paid debt service (Article XI-F bonds, SELP loans, Article XI-Q bonds,	Total
Agency Request					
Governor's Budget				\$258,827	\$258,827
Legislatively Adopted					

Energy savings for SELP loans (assumptions and calculation): N/A

Debt service assumptions (number of years, estimated interest rate):

General Obligation bonds, 30 years: 5%

General Obligation bonds, 5 years, 4.1%

Lottery Bonds, 20 years, 5%

Taxable bonds (all or part of a sale, depends on the use): add 1%

SELP Loans, 20 years, 6%

Revenue sources for campus paid debt service :

Campus: Oregon Institute of Technology (OIT)
Energy Center

Schools/Departments Affected: Civil and Mechanical Engineering, Oregon Renewable

Project name: **Cornett Hall Renovation Design/Planning (Reauthorization)**

Estimated start date: Fall 2015

Estimated completion date: Fall/Winter 2016

Project type:

Planning/design 100% Land/real property acquisition: New construction: Addition: Remodel:

Project summary:

Planning is initially intended for the comprehensive renovation or replacement of this 1964 structure to better accommodate current programs, and to correct required structural core-related deficiencies. Cornett Hall was originally designed for diesel technology, automotive technology, manufacturing, and gun-smithing. Building systems currently in deferred maintenance include; mechanical and electrical systems, interior and exterior finishes, roof system, domestic water distribution, and sanitary and storm water systems. The building also has serious accessibility problems primarily due to the finished floor elevation being 5' below the surrounding grade. The building does not comply with seismic code for this location. Space alterations have not kept pace with programmatic changes over the years.

Also included would be a comprehensive ten year University master planning which would include both Klamath Falls and Wilsonville campuses. Current plan was last updated in 2004.

Facilities detail.

Cornett Hall is a large single story building covering 97,238 GSF. Because the central floor level is 5' below grade, the generous interior ceiling height allows for upper level mezzanines and elevated walkways. The building also has a large central drive-in courtyard area that houses several storage buildings, campus security, environmental health and safety, and loading docks. The building consists of 15 classrooms, faculty offices, and several large open instructional areas for machining, welding and student projects

Estimated project cost: \$2,000,000

FUNDING REQUEST:

Funding Request	General Fund/Lottery Funds	Article XI-G Bonds	Article XI-F (1) Bonds*	Lottery Bonds	SELP Loans*	Seismic Grants	Article XI-Q Bonds*	Total
Agency Request								
Governor's Budget			\$2,000,000					\$2,000,000
Legislatively Adopted								

* 10 year pro-forma will be requested for all self-support projects Article XI-F, SELP loan projects, some Article XI-Q bonds:

Cost per net usable square feet added or renovated: N/A

For Article XI-G bonds, source of matching funds (indicate sources, amounts): N/A

For additional required project funding (i.e., beyond requested state funds and Article XI-G matching funds) (indicate sources, amounts): N/A

DEBT SERVICE COSTS (assumes 10% taxable XI-F, 90% non-tax XI-F)

Estimated biennial debt service	General Fund	Lottery Funds	Energy Savings (for SELP loan funded projects only)	Campus paid debt service (Article XI-F bonds, SELP loans, Article XI-Q bonds,	Total
Agency Request					
Governor's Budget				\$258,827	\$258,827
Legislatively Adopted					

Energy savings for SELP loans (assumptions and calculation): N/A

Debt service assumptions (number of years, estimated interest rate):

General Obligation bonds, 30 years: 5%

General Obligation bonds, 5 years, 4.1%

Lottery Bonds, 20 years, 5%

Taxable bonds (all or part of a sale, depends on the use): add 1%

SELP Loans, 20 years, 6%

Revenue sources for campus paid debt service :

Campus: Oregon State University (OSU)

Schools/Departments Affected: OSU Corvallis Campus – All Academic Programs

Project name: **OSU Modular Data Center**

Estimated start date: July 1, 2015

Estimated completion date: June 30, 2018

Project type: Planning/design: 8% New Construction: 92%

Project summary:

OSU's entire 2015-17 legislative capital funding request to the HECC including more detailed project information is located on the OSU Board of Trustees web site: http://oregonstate.edu/leadership/sites/default/files/trustees/agendas-minutes/doc140708-fac_appendix_b.pdf

The reauthorization is critical to support increased operational efficiencies and capacity for OSU's Information Technology infrastructure. The project's modular approach will allow OSU to disperse data centers throughout the OSU Corvallis campus to provide additional capacity, flexibility, and enhanced resilience for university instructional, research, and administrative activities. Campus data centers are often out of space, power, and/or cooling capacity. As a result, offices and other spaces will be used more productively for academic instructional and research purposes are being used for housing computer equipment. The proposed facilities would ensure that limited data center space does not limit the University's ability to recruit faculty, use of efficient instructional methodologies, nor limit the effective pursuit of research grants. The project will also specifically support the continued success of the comprehensive online degree and certificate programs provided by Oregon State Ecampus that supports the State's 40-40-20 goals.

Facilities detail:

Multiple, small, 500-1,000 SF buildings or spaces within existing buildings will be built/renovated to house equipment supporting data intensive activities. This proposed solution to the campus' need for additional data center capacity is modular. This design will make it possible to incrementally upgrade the amount of power or space available for new systems without a large-scale upgrade or replacement. All that is required to expand capacity is the addition of further modules. Instead of building a new data center once every decade or longer, and having to anticipate what will happen with the evolution of information technology, it would become possible to add new modules with expanded power, cooling or other features as needed.

The new modular data center facilities will be much more space and energy efficient than current data centers. In existing spaces, significant electrical capacity is used to provide electrical power, cool and power distribution systems rather than the servers themselves. 50% or more of the power consumed by the current data centers can be consumed in this manner. New modular data center facilities lower this energy overhead to 20% or less. In addition, they can make use of outside air for cooling, reducing energy consumption further.

Estimated project cost: \$7,000,000

FUNDING REQUEST:

Funding Request	General Fund/Lottery Funds	Article XI-G Bonds	Article XI-F (1) Bonds*	Lottery Bonds	SELP Loans*	Seismic Grants	Article XI-Q Bonds*	Total
Agency Request			\$7,000,000					\$7,000,000
Governor's Budget			\$7,000,000					\$7,000,000
Legislatively Adopted								

* 10 year pro-forma will be requested for all self-support projects Article XI-F, SELP loan projects, some Article XI-Q bonds:

Total Project Cost per net usable square feet added or renovated Approximately 5,000 usable square will be created in addition to significant power and fiber distribution throughout the campus.

For Article XI-G bonds, source of matching funds (indicate sources, amounts): N/A

For additional required project funding (i.e., beyond requested state funds and Article XI-G matching funds) (indicate sources, amounts): N/A

DEBT SERVICE COSTS (OSU-PROVIDED PROJECTION)

Estimated average biennial debt service	General Fund	Lottery Funds	Energy Savings (for SELP loan funded projects only)	Campus paid debt service (Article XI-F bonds, SELP loans, Article XI-Q bonds,	Total
Agency Request				\$905,895	\$905,895
Governor's Budget				\$905,895	\$905,895
Legislatively Adopted					

Energy savings for SELP loans (assumptions and calculation):

Debt service assumptions (number of years, estimated interest rate):

General Obligation bonds, 30 years: 5%

General Obligation bonds, 5 years, 4.1%

Lottery Bonds, 20 years, 5%

Taxable bonds (all or part of a sale, depends on the use): add 1%

SELP Loans, 20 years, 6%

Revenue sources for campus paid debt service :

N/A

Tier I Projects – Not Recommended

Public University

Major Construction/Acquisition Project Narrative