
MEMORANDUM

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To: Members of the Education Subcommittee

From: Doug Wilson, Legislative Fiscal Office
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Date: June 16, 2015

Subject: Higher Education Coordinating Commission – HB 5024 Work Session Recommendations

Higher Education Coordinating Commission – Totals (include all component agencies)

	2011-13 Actual	13-15 Legislatively Approved	2015-17 Current Service Level	2015-17 LFO Recommended
General Fund	1,251,030,012	1,425,816,316	1,485,065,322	1,747,865,455
Lottery Funds	30,083,102	45,638,739	58,024,984	62,406,155
Other Funds	26,480,467	29,562,502	25,714,416	27,136,059
Federal Funds	88,359,232	107,788,824	111,219,540	111,772,952
Nonlimited Other	0	200,000	206,000	224,791,215
Nonlimited Federal	4,111,284	18,968,832	18,968,832	18,968,833
Total Funds	\$1,400,064,097	\$1,627,975,213	\$1,699,199,094	\$2,192,940,669
Positions	92	113	107	130
FTE	87.37	104.02	98.94	118.85

The numbers above include all of the component agencies that included in the proposed Legislatively Adopted Budget. The numbers for 2011-13, 2013-15, and the CSL for 2015-17 do not match the ORBITS numbers which do not include Public Universities, OHSU, or OSAC.

Background Information

The Higher Education Coordinating Commission (HECC) was created in 2011 by SB 242 and further refined in 2012 by SB 1538. The Commission has 15 members appointed by the Governor and confirmed by the Senate. Its primary focus is to be responsible for strategic planning for post-secondary education in the state.

Other responsibilities of HECC include:

- Develop goals and accountability measures for the post-secondary system.
- Develop a strategic plan for achieving the State's higher education goals (e.g. 40-40-20)
- Develop a finance model for higher education aligned with the goals in the strategic plan.

- Recommend to the Governor and the Legislature a consolidated higher education budget consistent with the finance model.
- Coordinate with the Oregon Student Access and Completion Office to maximize the effectiveness of student financial assistance programs.
- Approve and authorized degrees for the Oregon University System.
- Administer and operate the Office of Degree Authorization and the Private Career Schools program.

The Legislature has also assigned specific activities or studies to HECC for a wide range of topics. In the past these have included workgroups or task forces on Credit for Prior Learning, accelerated learning, Pay-it-Forward, and Textbook Affordability. This practice continues during the current Session.

Even though HECC was established in 2011-13, it did not initially have any budget and consequently any staff for that biennium. Beginning in 2013-15 the HECC budget included the core HECC staff and the budgets for the Office of Degree Authorization (transferred from OSAC) and the staff of the Private Career School program transferred from the Oregon Department of Education.

For 2015-17 HECC's budget expands significantly as the budgets for the former Department of Community Colleges and Workforce Development (CCWD), former Oregon Student Access Commission (OSAC), Oregon Health and Science University (OHSU), and the Public Universities are included in the overall HECC budget.

Adjustments to Current Service Level:

See attached "Work Session Presentation Report" dated 6/15/2015.

Major changes to this budget in relation to the Current Service Level (CSL) are:

- The Community College Support Fund is increased by \$95 million General Fund or almost 21% over the CSL.
- The Public Universities Support Fund is increased by over \$150 million General Fund or almost 30% over the CSL.
- Funding for the Oregon Opportunity Grant increases by over 20% or \$23.6 million General Fund/Lottery Funds/Other Funds over the CSL.
- Positions are added to the budget to increase the capacity of the policy, administrative, and support staff so HECC operates as an independent agency. These "infrastructure needs" related positions include permanently continuing the institutional research staff formally part of the Chancellor's Office, permanently changing the funding on positions formally of the Department of Community Colleges and Workforce Development to reflect the work they actually perform, and adding staff in Information Technology, Human Resources and finance,
- Two major Information Technology initiatives are part of this recommended budget including replacing the Financial Assistance Management System for the Oregon Opportunity Grant program and solidifying central network and server infrastructure for the agency.
- Funding for the two Skills Centers located at Portland Community College and in Clackamas County is provided and designated as permanent.
- The amount of debt service required for projects at post-secondary institutions are adjusted to reflect actual need in 2015-17.

- An additional \$14 million in resources are provided over CSL for the Experiment Station, Extension Service and Forest Research Lab.
- Funding for debt service relating to OHSU will be included in a different bill later in Session and will be appropriated to the Department of Administrative Services (DAS).

The LFO recommendation for the 2015-17 Higher Education Coordinating Commission's budget is as follows:

General Fund	\$ 1,747,865,455
Lottery Funds	\$ 62,406,155
Other Funds	\$ 27,136,059
Federal Funds	\$ 111,772,952
Nonlimited Other Funds	\$ 224,791,215
Nonlimited Federal Funds	\$ 18,968,833
Total Funds	\$ 2,192,940,669
Positions	130
FTE	118.85

Accept LFO Recommendation

Sen. /Rep. _____ moves the LFO recommendation to HB 5024.

Performance Measures

See attached "Legislatively Proposed 2015-17 Key Performance Measures" form.

Accept LFO Recommendation

Move the LFO recommendation on Key Performance Measures

Budget Notes

There are four budget notes for the Higher Education Coordinating Commission.

Operations

The budget for the Higher Education Coordination Commission for 2015-17 moves some of the funding for administrative support services like finance, information technology and human resources but the staff for these functions remain in the individual office or functional budget units. In the development of the 2017-19 budget, the Commission should prepare a budget which incorporates all administrative support related positions and associated resources into a single division or unit for the Commission.

Community College Support Fund

Prior to the final adoption of any significant change to the distribution of the Community College Support Fund, the Higher Education Coordinating Commission is directed to consult with the appropriate legislative committees including the interim policy committees with jurisdiction on

post-secondary education issues and the interim Joint Committee on Ways and Means or the Emergency Board on the proposed distribution change.

Public Universities Support Fund

The additional \$30 million post-revenue forecast allocation for the biennium is to be used to fund campus investments in targeted tuition remissions for undergraduate Oregonians, and programs to improve student graduation. These would be programs detailed previously by the Universities to the HECC for how they would use additional investments addressing access, affordability and student success. The 7 Universities will commit to continuing these investments in both years of the biennium. The Universities would report to HECC, and Legislative Committees, how they have invested the funds. All additional funds will flow through the Student Success and Completion Model (SSCM).

Statewide Public Service Programs

Oregon State University shall provide a brief report to the Legislative Assembly for consideration during the 2016 legislative session regarding the implementation of programs and activities enabled by the \$14 million funding increase for the Statewide Public Service Programs -- the Agricultural Experiment Station, Extension Service, and Forest Research Laboratory. This report should identify the progress made in hiring additional staff and researchers, and the various activities undertaken and planned for the remainder of the 2015-17 biennium and into the future.

Recommended Changes to Appropriation Bill:

The Legislative Fiscal Office recommends a budget of \$1,747,865,455 General Fund, \$62,406,155 Lottery Funds, \$27,136,059 Other Funds, \$111,772,952 Federal Funds, \$224,791,215 Nonlimited Other Funds, and \$18,968,833 in Nonlimited Federal Funds; and that HB 5024 be amended accordingly.

Sen. /Rep. _____ moves the -3 amendment to HB 5024.

HB 5024 Final Subcommittee Action:

Final Motion:

Sen./Rep. _____ moves HB 5024 to the full committee as amended with a "do pass" recommendation.

Operations

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
2013-15 Agy. Leg. Adopted	2,949,003	-	-	-	-	-	2,949,003	15	10.65
2013-15 Ebds, SS & Admin Act	484,876	-	-	-	-	-	484,876	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2013-15 Leg Approved Budget	3,433,879	-	-	-	-	-	3,433,879	15	10.65
2013-15 Leg Approved Budget (Base)	2,733,879	-	-	-	-	-	2,733,879	15	10.65
Summary of Base Adjustments	830,220	-	-	-	-	-	830,220	(2)	2.35
2015-17 Base Budget	3,564,099	-	-	-	-	-	3,564,099	13	13.00
010: Non-PICS Pers Svc/Vacancy Factor	(246)	-	-	-	-	-	(246)	-	-
020: Phase In / Out Pgm & One-time Cost	19,921,759	-	-	-	-	-	19,921,759	-	-
030: Inflation & Price List Adjustments	178,910	-	-	-	-	-	178,910	-	-
2015-17 Current Service Level	23,664,522	-	-	-	-	-	23,664,522	13	13.00
Adjusted 2015-17 Current Service Level	23,664,522	-	-	-	-	-	23,664,522	13	13.00
Total LFO Recommended Packages	(16,486,919)	-	123,747	49,747	-	-	(16,313,425)	13	13.00
2015-17 Legislative Actions	7,177,603	-	123,747	49,747	-	-	7,351,097	26	26.00
Net change from 2013-15 Leg Approved Budget	3,743,724	-	123,747	49,747	-	-	3,917,218	11	15.35
Percent change from 2013-15 Leg Approved Budget	109.0%	0.0%	100.0%	100.0%	0.0%	0.0%	114.1%	73.3%	144.1%
Net change from 2015-17 Current Service Level	(16,486,919)	-	123,747	49,747	-	-	(16,313,425)	13	13.00
Percent change from 2015-17 Current Service Level	(69.7%)	0.0%	100.0%	100.0%	0.0%	0.0%	(68.9%)	100.0%	100.0%

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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Package 231 HECC: ETIC reconfiguration

Package Description Engineering Technology Industry Council (ETIC) Reconfiguration: This package redistributes the funds associated with the ETIC program. In 2014, the Legislature transferred the ETIC program from the Oregon University System to the Oregon Education Investment Board (OEIB). In determining the Current Service Level (CSL) budget, a portion of the ETIC funding was transferred to this budget unit (HECC Operations) since OEIB was scheduled to sunset in March of 2016. Under the current plan, ETIC resources are going to be divided into two parts; (1) \$24.45 million General Fund will be transferred to the Public Universities Statewide Programs unit in this agency for core functions of engineering programs at various agencies. The remaining \$6.11 million General Fund will be used as funding elsewhere in the State budget.

This package transfers \$19.74 million General Fund from this unit to the Public Universities Statewide Programs and combines it with another \$4.71 million from the remaining amount in the OEIB budget.

LFO Recommendation Approve the package.

LFO Recommended	(19,744,404)	-	-	-	-	-	(19,744,404)	-	-
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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Package 301 HECC management streamlining and organizational needs

Package Description HECC Organizational Needs -- This package recognizes the need to consolidate various business and support functions of the individual units of HECC into a central location. The units have previously contracted with the Department of Administrative Services for Human Resources, Payroll, Accounting, Contracts, Budget, and IT services. This package is common across all the Operations units of HECC. In this HECC Operations unit of the budget, positions for some of these functions are established as outlined below. Some of these costs are offset by transfers from the other units that had been used to cover these contracted services in prior biennia.

This package establishes six permanent positions to provide core administrative functions. These are: (1) an Information Systems Specialist 2 for help desk support, (2) a Fiscal Analyst 2 to augment the existing limited budget staff from OSAC and CCWD, (3) a Human Resources Specialist (HRA) 1 and a HRA 2 for the basic human resource and personnel functions of the agency, (4) an Accounting Technician 2 for financial services, and an (5) Information Systems Specialist 7 to provide systems development support for the existing and future information systems of the agency. In addition, two further positions are established to perform the work related to the responsibilities the agency will have assigned to it related to financial monitoring and accounting for the bonding programs for portions of the post-secondary systems in the state. The HECC will share these responsibilities with the Department of Administrative Services. The two positions are an Operations and Policy Analyst 3 and an Accountant 3.

The package also includes a reclass of an Info Systems Specialist (ISS) 2 position to an ISS 3.

LFO Recommendation Approve the package.

LFO Recommended	1,285,662	-	-	-	-	-	1,285,662	8	8.00
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Operations

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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Package 303 Integrated research and data team

Package Description Integrated Research and Data Team: Permanently establishes 5 positions within HECC to provide research and data collection/analysis mostly relating to the Public Universities in Oregon. These five positions had been part of the Chancellor's Office in the Oregon University System (OUS). These positions are crucial in collecting data regarding student demographics, academic progress, and related trends. They provide analysis for policy makers in both the Executive and Legislative Branches. They are also key in providing the data for distributing the Public Universities Public Support funds between the seven institutions in the Public University system.

For 2013-15, HECC had an interagency agreement with the Chancellor's Office which made this staff available to HECC and policy makers and one-time funding was made available. This funding did not role up into the Current Service Level. The five positions are two Operations Analyst 4s, a Research Analyst 2, a Research Analyst 4, and an Information Systems Specialist 7.

LFO Recommendation Approve the package.

LFO Recommended	1,400,000	-	-	-	-	-	1,400,000	5	5.00
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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Package 304 Post-Secondary Education Association Memberships

Package Description Association Memberships: This package provides the resources to HECC to pay for various memberships in associations and organizations relating to post-secondary education. Most of resources are for the dues of the Western Interstate Commission on Higher Education or WICHE. Being a member of WICHE enables Oregon to enter into tuition reciprocity agreements with other western states. Other organizations include the Education Commission of the States and the State Higher Education Executive Officers Association.

These membership costs had formally been paid by the Chancellor’s Office which no longer will exist after June 30, 2015.

LFO Recommendation Approve the package.

LFO Recommended	381,317	-	-	-	-	-	381,317	-	-
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Operations

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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Package 802 Information Systems

Package Description Information Systems: The agency presented a plan early in 2015 to address major issues with the network servers and other systems of the former Department of Community Colleges and Workforce Development. The plan also incorporated the needs of HECC as a new agency for information systems related issues. One outcome of this plan was to transition servers and other equipment to the state data center or its contractors. The funding for the 2013-15 biennium came in part from the federal ALDER project which is no longer available as a funding source. This package provides the resources for the ongoing costs, including the assessments and charges paid to the state data center.

LFO Recommendation Approve the package.

LFO Recommended	290,000	-	-	-	-	-	290,000	-	-
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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Package 804 Position Clean-up

Package Description Position Cleanup: This package shifts funding on two HECC leadership positions from 100% General Fund to 80% General Fund and 10% Other Funds, and 10% Federal Funds. The two positons are the HECC Executive Director and the HECC Chief of Staff. This shift in funding better reflects the tie between the work performed by positions and the funding source for the respective programs. Total General Fund savings s \$99,494.

LFO Recommendation Approve the package.

LFO Recommended	(99,494)	-	49,747	49,747	-	-	-	-	-
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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Package 808 Technical Adjustments

Package Description Technical Adjustments: This package is reserved for technical and other changes that need to be made for the budget. In this budget unit, there is a \$74,000 increase in Other Funds expenditure limitation for a grant awarded through the Western Interstate Commission on Higher Education or WICHE.

LFO Recommendation Approve the package.

LFO Recommended	-	-	74,000	-	-	-	74,000	-	-
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
2013-15 Agy. Leg. Adopted	162,494	-	1,732,885	342,759	200,000	-	2,438,138	12	10.00
2013-15 Ebds, SS & Admin Act	6,987	-	24,589	4,812	-	-	36,388	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2013-15 Leg Approved Budget	169,481	-	1,757,474	347,571	200,000	-	2,474,526	12	10.00
2013-15 Leg Approved Budget (Base)	169,481	-	1,757,474	347,571	200,000	-	2,474,526	12	10.00
Summary of Base Adjustments	(143,839)	-	(54,622)	18,494	-	-	(179,967)	(2)	(1.76)
2015-17 Base Budget	25,642	-	1,702,852	366,065	200,000	-	2,294,559	10	8.24
010: Non-PICS Pers Svc/Vacancy Factor	(6,170)	-	1,913	630	-	-	(3,627)	-	-
020: Phase In / Out Pgm & One-time Cost	(19,472)	-	(100,053)	12,398	-	-	(107,127)	-	-
030: Inflation & Price List Adjustments	-	-	62,963	18,811	6,000	-	87,774	-	-
2015-17 Current Service Level	-	-	1,667,675	397,904	206,000	-	2,271,579	10	8.24
Adjusted 2015-17 Current Service Level	-	-	1,667,675	397,904	206,000	-	2,271,579	10	8.24
Total LFO Recommended Packages	-	-	388,836	(13,891)	-	-	374,945	1	1.00
2015-17 Legislative Actions	-	-	2,056,511	384,013	206,000	-	2,646,524	11	9.24
Net change from 2013-15 Leg Approved Budget	(169,481)	-	299,037	36,442	6,000	-	171,998	(1)	(0.76)
Percent change from 2013-15 Leg Approved Budget	(100.0%)	0.0%	17.0%	10.5%	3.0%	0.0%	7.0%	(8.3%)	(7.6%)
Net change from 2015-17 Current Service Level	-	-	388,836	(13,891)	-	-	374,945	1	1.00
Percent change from 2015-17 Current Service Level	0.0%	0.0%	23.3%	(3.5%)	0.0%	0.0%	16.5%	10.0%	12.1%

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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Package 301 HECC management streamlining and organizational needs

Package Description HECC Organizational Needs -- This package recognizes the need to consolidate various business and support functions of the individual units of HECC into a central location. The units have previously contracted with the Department of Administrative Services for Human Resources, Payroll, Accounting, Contracts, Budget, and IT services. This package is common across all the Operations units of HECC and this budget unit. In the HECC Operations unit of the budget, positions for some of these functions are established. Some of these costs are offset by transfers from the other units, (including this unit) that had been used to cover these contracted services in prior biennia.

LFO Recommendation Approve the recommendation.

LFO Recommended	-	-	(61,517)	(13,891)	-	-	(75,408)	-	-
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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Package 302 DA/PCS: integrating program approvals & reviews

Package Description Integrating Program Approvals and Reviews: This package provides additional resources by adding one (1.00 FTE) permanent Education Specialist 2 position to meet the growing workload in regulating the various education entities regulated or monitored under this unit. This package will better integrate these two programs which were combined in the past two years where the Office of Degree Authorization was transferred from what was then the Oregon Student Assistance Commission (OSAC) and the Private Career School program was transferred from the Oregon Department of Education. This will also assist the unit to transition to the interstate authorization reciprocal agreement or SARA.

The current staff is facing increasing workload at this time due to school closures and difficult private post-secondary school cases leading to extensive investigations. Larger school closures create significant workload to coordinate with the federal government and other states, support and protect students, and to provide the documentation and investigations related to complaints and closures. With this in mind, \$150,000 of one-time Other Funds expenditure limitation is also added in this package to provide funding to add temporary staff or to contract for other resources to address the increased resources. The Legislature should review the need for continuing this funding as well as the impact on ending balances from fee revenues during the 2017 legislative session.

This package also authorizes the reclass of three positions between the two programs - all are Other Funds positions. Total cost is \$61,506 Other Funds. The reclasses are based on desk audits of the positions and have been approved by the Department of Administrative Services. Two Program Analyst 2 positions are reclassified to Education Specialist 1 and a Program Analyst 1 position is reclassified to an Operation and Policy Analyst 2.

This package is dependent on fee increases in SB 218 and the ratification of fees already in place by SHB 5025. These fee increases provide the resources for both of the programs and negate the need for General Fund that was included in the 20113-15 budget.

LFO Recommendation Approve teh Package.

LFO Recommended			450,353				450,353	1	1.00
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
2013-15 Agy. Leg. Adopted	-	-	-	-	-	-	-	-	-
2013-15 Ebds, SS & Admin Act	-	-	-	-	-	-	-	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2013-15 Leg Approved Budget	-	-	-	-	-	-	-	-	-
2013-15 Leg Approved Budget (Base)	-	-	-	-	-	-	-	-	-
Summary of Base Adjustments	-	-	-	-	-	-	-	-	-
2015-17 Base Budget	-	-	-	-	-	-	-	-	-
060: Technical Adjustments	14,103,608	-	4,088,279	13,723,312	-	-	31,915,199	53	52.70
2015-17 Current Service Level	14,103,608	-	4,088,279	13,723,312	-	-	31,915,199	53	52.70
Adjusted 2015-17 Current Service Level	14,103,608	-	4,088,279	13,723,312	-	-	31,915,199	53	52.70
Total LFO Recommended Packages	2,743,251	-	(84,884)	(875,890)	-	-	1,782,477	2	2.00
2015-17 Legislative Actions	16,846,859	-	4,003,395	12,847,422	-	-	33,697,676	55	54.70
Net change from 2013-15 Leg Approved Budget	16,846,859	-	4,003,395	12,847,422	-	-	33,697,676	55	54.70
Percent change from 2013-15 Leg Approved Budget	100.0%	0.0%	100.0%	100.0%	0.0%	0.0%	100.0%	100.0%	100.0%
Net change from 2015-17 Current Service Level	2,743,251	-	(84,884)	(875,890)	-	-	1,782,477	2	2.00
Percent change from 2015-17 Current Service Level	19.5%	0.0%	(2.1%)	(6.4%)	0.0%	0.0%	5.6%	3.8%	3.8%

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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Package 301 HECC management streamlining and organizational needs

Package Description HECC Organizational Needs -- This package recognizes the need to consolidate various business and support functions of the individual units of HECC into central location. The units have previously contracted with the Department of Administrative Services for Human Resources, Payroll, Accounting, Contracts, Budget, and IT services. This package is common across all the Operations units of HECC. In the HECC Operations unit of the budget, positions for some of these functions are established. Some of these costs are offset by transfers from the other units (including this unit), that had been used to cover these contracted services in prior biennia.

LFO Recommendation Approve the request.

LFO Recommended	(73,958)	-	(30,453)	(113,112)	-	-	(217,523)	-	-
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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Package 311 CWD Work Reconciliation

Package Description CCWD Work Reconciliation -- Reconciles the funding of eight positions formally part of the Department of Community Colleges and Workforce Development (CCWD) to reflect the actual work they perform. This problem was temporary addressed in the 2013-15 biennium during the February 2014 Session. This package permanently addresses the problem. The current budget has the equivalent of 8.65 FTE funded with General Fund resources and this package increases this to 13.00 FTE. Most of these eight positions are central support positions which will be support the entire HECC scope of programs which are primarily General Fund programs.

LFO Recommendation Approve the request.

LFO Recommended	963,679	-	(54,431)	(909,248)	-	-	-	-	-
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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Package 801 LFO Analyst Adjustments

Package Description LFO Analyst Adjustments: This package is to provide support underserved students to obtain a high school equivalency credential such as a GED. The program would be directed at the estimated 10,000 students up to age 25 who do not have a high school diploma. Services would be provided through community based organizations who currently serve the target populatons and existing criteria would be used. There two positions established in the package who would work on unifying the use of these tests across the systems, identifying eligible community based organizations and distributing GED scholarship grants through the organizations.

LFO Recommendation Approve the package.

LFO Recommended	2,000,000	-	-	-	-	-	2,000,000	2	2.00
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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Package 804 Position Clean-up

Package Description Position Clean-up: This package shifts the funding for the Deputy Commissioner position from partially being funded by General Fund and Federal Funds to 100% Federal Funds. This position is transitioning to fully focusing on workforce development activities instead of spending part of the time on Community College related activities.

LFO Recommendation Approve the package.

LFO Recommended	(146,470)	-	-	146,470	-	-	-	-	-
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
2013-15 Agy. Leg. Adopted	-	-	-	-	-	-	-	-	-
2013-15 Ebds, SS & Admin Act	-	-	-	-	-	-	-	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2013-15 Leg Approved Budget	-	-	-	-	-	-	-	-	-
2013-15 Leg Approved Budget (Base)	-	-	-	-	-	-	-	-	-
Summary of Base Adjustments	-	-	-	-	-	-	-	-	-
2015-17 Base Budget	-	-	-	-	-	-	-	-	-
060: Technical Adjustments	455,005,738	-	45,810	-	-	-	455,051,548	-	-
2015-17 Current Service Level	455,005,738	-	45,810	-	-	-	455,051,548	-	-
Adjusted 2015-17 Current Service Level	455,005,738	-	45,810	-	-	-	455,051,548	-	-
Total LFO Recommended Packages	95,599,902	-	-	-	-	-	95,599,902	-	-
2015-17 Legislative Actions	550,605,640	-	45,810	-	-	-	550,651,450	-	-
Net change from 2013-15 Leg Approved Budget	550,605,640	-	45,810	-	-	-	550,651,450	-	-
Percent change from 2013-15 Leg Approved Budget	100.0%	0.0%	100.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%
Net change from 2015-17 Current Service Level	95,599,902	-	-	-	-	-	95,599,902	-	-
Percent change from 2015-17 Current Service Level	21.0%	0.0%	0.0%	0.0%	0.0%	0.0%	21.0%	0.0%	0.0%

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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Package 111 Community College Support Fund

Package Description Community College Support Fund Increase: This package increases the amount the State provides to the Community Colleges for general education services provided by the Colleges for developmental education, classes leading to an associate’s degree, classes used for credit at a four-year college or university, classes leading to a certification, and related costs of the Colleges. The \$95 million General Fund provided in this package brings the total funding for this program to \$550 million -- a 20.9% increase over the Current Service Level and a 18.0% increase over the amount available for 2013-15.

Distribution of these funds to the 17 Community College will follow the existing distribution formula for the first year of the biennium based on student FTE and including the enrollment caps that affect some of the Colleges. It is anticipated that HECC will implement a performance based distribution formula for the second year of the biennium in part based on student completion of degrees and certificates.

LFO Recommendation Approve the package.

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

LFO Recommended	94,994,262	-	-	-	-	-	94,994,262	-	-
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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Package 803 Skills Centers

Package Description Skills Centers: Provides the resources to continue the funding for the two Skills Centers -- the Margaret Carter Center at Portland Community College and the Sabin Center in Clackamas County. Funding is split evenly between the two Centers.

LFO Recommendation Approve the request.

LFO Recommended	605,640	-	-	-	-	-	605,640	-	-
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
2013-15 Agy. Leg. Adopted	-	-	-	-	-	-	-	-	-
2013-15 Ebds, SS & Admin Act	-	-	-	-	-	-	-	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2013-15 Leg Approved Budget	-	-	-	-	-	-	-	-	-
2013-15 Leg Approved Budget (Base)	-	-	-	-	-	-	-	-	-
Summary of Base Adjustments	-	-	-	-	-	-	-	-	-
2015-17 Base Budget	-	-	-	-	-	-	-	-	-
060: Technical Adjustments	-	-	427,582	95,932,390	-	18,968,831	115,328,803	-	-
2015-17 Current Service Level	-	-	427,582	95,932,390	-	18,968,831	115,328,803	-	-
Adjusted 2015-17 Current Service Level	-	-	427,582	95,932,390	-	18,968,831	115,328,803	-	-
2015-17 Legislative Actions	-	-	427,582	95,932,390	-	18,968,831	115,328,803	-	-
Net change from 2013-15 Leg Approved Budget	-	-	427,582	95,932,390	-	18,968,831	115,328,803	-	-
Percent change from 2013-15 Leg Approved Budget	0.0%	0.0%	100.0%	100.0%	0.0%	100.0%	100.0%	0.0%	0.0%
Net change from 2015-17 Current Service Level	-	-	-	-	-	-	-	-	-
Percent change from 2015-17 Current Service Level	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
2013-15 Agy. Leg. Adopted	-	-	-	-	-	-	-	-	-
2013-15 Ebds, SS & Admin Act	-	-	-	-	-	-	-	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2013-15 Leg Approved Budget	-	-	-	-	-	-	-	-	-
2013-15 Leg Approved Budget (Base)	-	-	-	-	-	-	-	-	-
Summary of Base Adjustments	-	-	-	-	-	-	-	-	-
2015-17 Base Budget	-	-	-	-	-	-	-	-	-
060: Technical Adjustments	-	-	2,492,040	1,165,934	-	-	3,657,974	3	3.00
2015-17 Current Service Level	-	-	2,492,040	1,165,934	-	-	3,657,974	3	3.00
Adjusted 2015-17 Current Service Level	-	-	2,492,040	1,165,934	-	-	3,657,974	3	3.00
Total LFO Recommended Packages	-	-	-	-	-	-	-	-	-
2015-17 Legislative Actions	-	-	2,492,040	1,165,934	-	-	3,657,974	3	3.00
Net change from 2013-15 Leg Approved Budget	-	-	2,492,040	1,165,934	-	-	3,657,974	3	3.00
Percent change from 2013-15 Leg Approved Budget	0.0%	0.0%	100.0%	100.0%	0.0%	0.0%	100.0%	100.0%	100.0%
Net change from 2015-17 Current Service Level	-	-	-	-	-	-	-	-	-
Percent change from 2015-17 Current Service Level	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
2013-15 Agy. Leg. Adopted	-	-	-	-	-	-	-	-	-
2013-15 Ebds, SS & Admin Act	-	-	-	-	-	-	-	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2013-15 Leg Approved Budget	-	-	-	-	-	-	-	-	-
2013-15 Leg Approved Budget (Base)	-	-	-	-	-	-	-	-	-
Summary of Base Adjustments	-	-	-	-	-	-	-	-	-
2015-17 Base Budget	-	-	-	-	-	-	-	-	-
060: Technical Adjustments	38,416,491	10,694,235	-	-	-	1	49,110,727	-	-
2015-17 Current Service Level	38,416,491	10,694,235	-	-	-	1	49,110,727	-	-
Adjusted 2015-17 Current Service Level	38,416,491	10,694,235	-	-	-	1	49,110,727	-	-
Total LFO Recommended Packages	(13,778,576)	(232,169)	-	-	-	-	(14,010,745)	-	-
2015-17 Legislative Actions	24,637,915	10,462,066	-	-	-	1	35,099,982	-	-
Net change from 2013-15 Leg Approved Budget	24,637,915	10,462,066	-	-	-	1	35,099,982	-	-
Percent change from 2013-15 Leg Approved Budget	100.0%	100.0%	0.0%	0.0%	0.0%	100.0%	100.0%	0.0%	0.0%
Net change from 2015-17 Current Service Level	(13,778,576)	(232,169)	-	-	-	-	(14,010,745)	-	-
Percent change from 2015-17 Current Service Level	(35.9%)	(2.2%)	0.0%	0.0%	0.0%	0.0%	(28.5%)	0.0%	0.0%

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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Package 811 Updated Base Debt Service Adjustment

Package Description Updated Debt Service: More up to date debt service requirements are available at this time. These adjustments reflect; (1) those projects who have not identify their required match so the projects can't go forward at this time, (2) savings generated through refinancing of outstanding bonds, and (3) savings due to lower than projected payments for 2015-17. Adjustments assume \$13,778,576 GF and \$232,169 LF in savings.

LFO Recommendation Approve the package.

LFO Recommended	(13,778,576)	(232,169)	-	-	-	-	(14,010,745)	-	-
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
2013-15 Agy. Leg. Adopted	-	-	-	-	-	-	-	-	-
2013-15 Ebds, SS & Admin Act	-	-	-	-	-	-	-	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2013-15 Leg Approved Budget	-	-	-	-	-	-	-	-	-
2013-15 Leg Approved Budget (Base)	-	-	-	-	-	-	-	-	-
Summary of Base Adjustments	-	-	-	-	-	-	-	-	-
2015-17 Base Budget	-	-	-	-	-	-	-	-	-
2015-17 Current Service Level	-	-	-	-	-	-	-	-	-
Adjusted 2015-17 Current Service Level	-	-	-	-	-	-	-	-	-
Total LFO Recommended Packages	665,000,000	-	-	-	-	-	665,000,000	-	-
2015-17 Legislative Actions	665,000,000	-	-	-	-	-	665,000,000	-	-
Net change from 2013-15 Leg Approved Budget	665,000,000	-	-	-	-	-	665,000,000	-	-
Percent change from 2013-15 Leg Approved Budget	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%
Net change from 2015-17 Current Service Level	665,000,000	-	-	-	-	-	665,000,000	-	-
Percent change from 2015-17 Current Service Level	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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Package 100 Transfer to HECC

Package Description Transfer to HECC: This package and similar packages in the other budget units for the Public University system transfer the budgets from the Department of Administrative Services (DAS) to the Higher Education Coordinating Commission. This change reflects the role of HECC and the Commission’s relationship with the Public Universities after passage of legislation over the past two biennium making Public Universities independent. This also reflects the requirements of ORS 351.052 as amended by SB 219 (already signed by the Governor) requiring that funding requests for Public Universities approved by the Legislature shall be appropriated to HECC. All Current Service Level Adjustments are made for this budget unit prior to the transfer to HECC by this package.

The Public University Support Fund represents the state’s General Fund contribution to operation of the Oregon’s seven public universities’ education, student support, research, and public service programs. Combined with student tuition and other revenues that are not included in the state budget, the funds provide basic support to the educational institutions, institutional boards, administration functions, and student support services.

LFO Recommendation Approve the package.

LFO Recommended	513,609,162	-	-	-	-	-	513,609,162	-	-
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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Package 102 Public University Support Fund

Package Description Public University Support Fund Increase: This package increases the amount provided by the State to the seven Public Universities by \$151.4 million General Fund, which represents a 29.5% increase from the Current Service Level for 2015-17 and a 27.8% increase from the 2013-15 budget for this support. Funding for the Support Fund is \$665.0 million General Fund.

LFO Recommendation Approve the package.

LFO Recommended	151,390,838	-	-	-	-	-	151,390,838	-	-
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
2013-15 Agy. Leg. Adopted	-	-	-	-	-	-	-	-	-
2013-15 Ebds, SS & Admin Act	-	-	-	-	-	-	-	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2013-15 Leg Approved Budget	-	-	-	-	-	-	-	-	-
2013-15 Leg Approved Budget (Base)	-	-	-	-	-	-	-	-	-
Summary of Base Adjustments	-	-	-	-	-	-	-	-	-
2015-17 Base Budget	-	-	-	-	-	-	-	-	-
2015-17 Current Service Level	-	-	-	-	-	-	-	-	-
Adjusted 2015-17 Current Service Level	-	-	-	-	-	-	-	-	-
Total LFO Recommended Packages	63,121,066	-	-	-	-	-	63,121,066	-	-
2015-17 Legislative Actions	63,121,066	-	-	-	-	-	63,121,066	-	-
Net change from 2013-15 Leg Approved Budget	63,121,066	-	-	-	-	-	63,121,066	-	-
Percent change from 2013-15 Leg Approved Budget	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%
Net change from 2015-17 Current Service Level	63,121,066	-	-	-	-	-	63,121,066	-	-
Percent change from 2015-17 Current Service Level	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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Package 100 Transfer to HECC

Package Description Transfer to HECC: This package and similar packages in the other budget units for the Public University system transfer the budgets from the Department of Administrative Services (DAS) to the Higher Education Coordinating Commission. This change reflects the role of HECC and the Commission’s relationship with the Public Universities after passage of legislation over the past two biennium making Public Universities independent. This also reflects the requirements of ORS 351.052 as amended by SB 219 (already signed by the Governor) requiring that funding requests for Public Universities approved by the Legislature shall be appropriated to HECC. All Current Service Level Adjustments are made for this budget unit prior to the transfer to HECC by this package.

This budget unit provides state General Fund support for Agricultural Experiment Stations. The Agricultural Experiment Stations, operated by Oregon State University conducts research and demonstrations in the agricultural, biological, social, and environmental sciences. Research is conducted at a central station at Corvallis and at eleven branch stations in major crop and climate areas of the state.

LFO Recommendation Approve the package.

LFO Recommended	56,996,066	-	-	-	-	-	56,996,066	-	-
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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Package 805 Public Universities Statewide Adjustments

Package Description Statewide Public Service Program Adjustments: This package reflects the Agricultural Experiment Station's share of the \$14.0 million General Fund provided to the three Statewide Public Service programs operated by Oregon State University. \$6,125,000 General Fund.

LFO Recommendation Approve the package.

LFO Recommended	6,125,000	-	-	-	-	-	6,125,000	-	-
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
2013-15 Agy. Leg. Adopted	-	-	-	-	-	-	-	-	-
2013-15 Ebds, SS & Admin Act	-	-	-	-	-	-	-	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2013-15 Leg Approved Budget	-	-	-	-	-	-	-	-	-
2013-15 Leg Approved Budget (Base)	-	-	-	-	-	-	-	-	-
Summary of Base Adjustments	-	-	-	-	-	-	-	-	-
2015-17 Base Budget	-	-	-	-	-	-	-	-	-
2015-17 Current Service Level	-	-	-	-	-	-	-	-	-
Adjusted 2015-17 Current Service Level	-	-	-	-	-	-	-	-	-
Total LFO Recommended Packages	45,601,540	-	-	-	-	-	45,601,540	-	-
2015-17 Legislative Actions	45,601,540	-	-	-	-	-	45,601,540	-	-
Net change from 2013-15 Leg Approved Budget	45,601,540	-	-	-	-	-	45,601,540	-	-
Percent change from 2013-15 Leg Approved Budget	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%
Net change from 2015-17 Current Service Level	45,601,540	-	-	-	-	-	45,601,540	-	-
Percent change from 2015-17 Current Service Level	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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Package 100 Transfer to HECC

Package Description Transfer to HECC: This package and similar packages in the other budget units for the Public University system transfer the budgets from the Department of Administrative Services (DAS) to the Higher Education Coordinating Commission. This change reflects the role of HECC and the Commission's relationship with the Public Universities after passage of legislation over the past two biennium making Public Universities independent. This also reflects the requirements of ORS 351.052 as amended by SB 219 (already signed by the Governor) requiring that funding requests for Public Universities approved by the Legislature shall be appropriated to HECC. All Current Service Level Adjustments are made for this budget unit prior to the transfer to HECC by this package.

This budget unit provides state General Fund support for the Extension Service. The Extension Service is the educational outreach arm of Oregon State University in its capacity as Oregon's Land Grant and Sea Grant University. Extension faculty on campus and in county offices throughout the state work with researchers and volunteers to develop and deliver non-credit educational programs based on locally identified needs. Generally, counties provide office space and operating expenses, including support staff. Programs are delivered with the assistance of thousands of volunteers.

LFO Recommendation Approve the package.

LFO Recommended	41,226,540	-	-	-	-	-	41,226,540	-	-
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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Package 805 Public Universities Statewide Adjustments

Package Description Statewide Public Service Program Adjustments: This package reflects the Extension Service's share of the \$14.0 million General Fund provided to the three Statewide Public Service programs operated by Oregon State University. \$4,375,000 GF.

LFO Recommendation Approve the package.

LFO Recommended	4,375,000	-	-	-	-	-	4,375,000	-	-
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
2013-15 Agy. Leg. Adopted	-	-	-	-	-	-	-	-	-
2013-15 Ebds, SS & Admin Act	-	-	-	-	-	-	-	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2013-15 Leg Approved Budget	-	-	-	-	-	-	-	-	-
2013-15 Leg Approved Budget (Base)	-	-	-	-	-	-	-	-	-
Summary of Base Adjustments	-	-	-	-	-	-	-	-	-
2015-17 Base Budget	-	-	-	-	-	-	-	-	-
2015-17 Current Service Level	-	-	-	-	-	-	-	-	-
Adjusted 2015-17 Current Service Level	-	-	-	-	-	-	-	-	-
Total LFO Recommended Packages	9,771,107	-	-	-	-	-	9,771,107	-	-
2015-17 Legislative Actions	9,771,107	-	-	-	-	-	9,771,107	-	-
Net change from 2013-15 Leg Approved Budget	9,771,107	-	-	-	-	-	9,771,107	-	-
Percent change from 2013-15 Leg Approved Budget	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%
Net change from 2015-17 Current Service Level	9,771,107	-	-	-	-	-	9,771,107	-	-
Percent change from 2015-17 Current Service Level	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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Package 100 Transfer to HECC

Package Description Transfer to HECC: This package and similar packages in the other budget units for the Public University system transfer the budgets from the Department of Administrative Services (DAS) to the Higher Education Coordinating Commission. This change reflects the role of HECC and the Commission's relationship with the Public Universities after passage of legislation over the past two biennium making Public Universities independent. This also reflects the requirements of ORS 351.052 as amended by SB 219 (already signed by the Governor) requiring that funding requests for Public Universities approved by the Legislature shall be appropriated to HECC. All Current Service Level Adjustments are made for this budget unit prior to the transfer to HECC by this package.

This budget unit provides state General Fund support for the Forest Research Laboratory at Oregon State University. The Forest Research Laboratory conducts research on sustainable forest yields, use of forest products, and stewardship of Oregon's resources. This research is conducted in laboratories and forests administered by the University and cooperative agencies and industries throughout the state. Research results are made available to potential users through educational programs and publications that are directed to forest landowners and managers, manufacturers and users of forest products, leaders of government and industry, the scientific community, the conservation community, and the general public.

LFO Recommendation Approve the package.

LFO Recommended	6,271,107	-	-	-	-	-	6,271,107	-	-
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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Package 805 Public Universities Statewide Adjustments

Package Description Statewide Public Service Program Adjustments: This package reflects the Forest Research Laboratory's share of the \$14.0 million General Fund provided to the three Statewide Public Service programs operated by Oregon State University. \$3,500,000 GF.

LFO Recommendation Approve the package.

LFO Recommended	3,500,000	-	-	-	-	-	3,500,000	-	-
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
2013-15 Agy. Leg. Adopted	-	-	-	-	-	-	-	-	-
2013-15 Ebds, SS & Admin Act	-	-	-	-	-	-	-	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2013-15 Leg Approved Budget	-	-	-	-	-	-	-	-	-
2013-15 Leg Approved Budget (Base)	-	-	-	-	-	-	-	-	-
Summary of Base Adjustments	-	-	-	-	-	-	-	-	-
2015-17 Base Budget	-	-	-	-	-	-	-	-	-
2015-17 Current Service Level	-	-	-	-	-	-	-	-	-
Adjusted 2015-17 Current Service Level	-	-	-	-	-	-	-	-	-
Total LFO Recommended Packages	34,298,725	-	-	-	-	-	34,298,725	-	-
2015-17 Legislative Actions	34,298,725	-	-	-	-	-	34,298,725	-	-
Net change from 2013-15 Leg Approved Budget	34,298,725	-	-	-	-	-	34,298,725	-	-
Percent change from 2013-15 Leg Approved Budget	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%
Net change from 2015-17 Current Service Level	34,298,725	-	-	-	-	-	34,298,725	-	-
Percent change from 2015-17 Current Service Level	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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Package 100 Transfer to HECC

Package Description Transfer to HECC: This package and similar packages in the other budget units for the Public University system transfer the budgets from the Department of Administrative Services (DAS) to the Higher Education Coordinating Commission. This change reflects the role of HECC and the Commission's relationship with the Public Universities after passage of legislation over the past two biennium making Public Universities independent. This also reflects the requirements of ORS 351.052 as amended by SB 219 (already signed by the Governor) requiring that funding requests for Public Universities approved by the Legislature shall be appropriated to HECC. All Current Service Level Adjustments are made for this budget unit prior to the transfer to HECC by this package.

This budget unit includes General Fund support for a variety of institutions, centers, and programs operated by public universities that address economic development, natural resource and other issues rather than providing support general support for instruction and student support services. Many of these programs have an industry-specific focus, matching state support with funds from private sector and other sources.

The Current Service Level amounts being transferred in to HECC for each Public Program are:

- Program 2015-17 Approved Budget
- UO & PSU Dispute Resolution programs \$2,516,149
- PSU Oregon Solutions program \$2,257,451
- OSU Fermentation Program \$1,239,600
- UO, OSU, & PSU Signature Research Centers \$1,040,577
- Oregon Metals Initiative \$749,065
- UO Labor Education Research Center (LERC) \$678,544
- OSU Marine Research Vessel Program \$619,800
- PSU Population Research Center \$435,313
- OSU Natural Resources Institute \$399,103
- UO & Lewis and Clark College Clinical Legal Education program \$348,696
- OSU Climate Change Research Institute \$312,837

LFO Recommendation Approve the package.

LFO Recommended	10,596,516	-	-	-	-	-	10,596,516	-	-
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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Package 801 LFO Analyst Adjustments

Package Description Oregon Metal Initiative: This package removes \$749,065 General Fund support for the Oregon Metal Initiative. An equal amount of General Fund will be added for the same purpose in the Oregon Business Development Department, which has \$2M Lottery Funds allocated as additional support for the program. This change will allow all state support for the Oregon Metals Initiative to be consolidated in one budget.

LFO Recommendation Approve the package.

LFO Recommended	(749,065)	-	-	-	-	-	(749,065)	-	-
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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Package 806 ETIC Funding

Package Description ETIC Funding: This package redistributes the funds associated with the Engineering Technology Industries Council (ETIC) program. In 2016, the Legislature transferred the ETIC program from the Oregon University System to the Oregon Education Investment Board (OEIB). In determining the Current Service Level (CSL) budget, a portion of the ETIC funding was transferred to this budget unit (HECC Operations) since OEIB was scheduled to sunset in March of 2016. Under the current plan, ETIC resources are going to be divided into two parts; (1) \$24.45 million General Fund are transferred into this Public Universities Public Programs budget unit for core functions of engineering and technology programs at various agencies. The remaining \$6.11 million General Fund will be used as funding for other programs in state government.

LFO Recommendation Approve the package.

LFO Recommended	24,451,274	-	-	-	-	-	24,451,274	-	-
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
2013-15 Agy. Leg. Adopted	-	-	-	-	-	-	-	-	-
2013-15 Ebds, SS & Admin Act	-	-	-	-	-	-	-	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2013-15 Leg Approved Budget	-	-	-	-	-	-	-	-	-
2013-15 Leg Approved Budget (Base)	-	-	-	-	-	-	-	-	-
Summary of Base Adjustments	-	-	-	-	-	-	-	-	-
2015-17 Base Budget	-	-	-	-	-	-	-	-	-
2015-17 Current Service Level	-	-	-	-	-	-	-	-	-
Adjusted 2015-17 Current Service Level	-	-	-	-	-	-	-	-	-
Total LFO Recommended Packages	119,704,939	31,887,710	-	-	224,585,215	1	376,177,865	-	-
2015-17 Legislative Actions	119,704,939	31,887,710	-	-	224,585,215	1	376,177,865	-	-
Net change from 2013-15 Leg Approved Budget	119,704,939	31,887,710	-	-	224,585,215	1	376,177,865	-	-
Percent change from 2013-15 Leg Approved Budget	100.0%	100.0%	0.0%	0.0%	100.0%	100.0%	100.0%	0.0%	0.0%
Net change from 2015-17 Current Service Level	119,704,939	31,887,710	-	-	224,585,215	1	376,177,865	-	-
Percent change from 2015-17 Current Service Level	100.0%	100.0%	0.0%	0.0%	100.0%	100.0%	100.0%	0.0%	0.0%

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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Package 100 Transfer to HECC

Package Description Transfer to HECC: This package and similar packages in the other budget units for the Public University system transfer the budgets from the Department of Administrative Services (DAS) to the Higher Education Coordinating Commission. This change reflects the role of HECC and the Commission's relationship with the Public Universities after passage of legislation over the past two biennium making Public Universities independent. All Current Service Level Adjustments are made for this budget unit prior to the transfer to HECC by this package.

LFO Recommendation Approve the package.

LFO Recommended	129,875,689	32,157,371	-	-	-	-	162,033,060	-	-
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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Package 811 Updated Base Debt Service Adjustment

Package Description Up to Date Debt Service: More up to date debt service requirements are available at this time. These adjustments reflect; (1) those projects who did not identify their required match so their projects can't go forward at this time, (2) savings generated through refinancing of outstanding debts, and (3) savings due to lower than projected payments for 2015-17. Adjustments assume \$10,387,523 GF and \$269,661 LF in savings that are used elsewhere in the budget.

This package also recognizes outstanding debt service for general obligation bonds and certificates of participation that had been issued for the benefit of public universities and repaid from sources other than the State General Fund. This outstanding debt service will be paid with resources received from the public universities. With the Oregon University System being eliminated, legal counsel has provided advice that debt service payments due on state issued debt must be included in the state budget. These payments will be sent by universities to HECC, which will record the transactions on its' accounts. The estimated amount of Other Funds Non-Limited expenditures for paying self-supported university debt is \$224,585,215 for 2015-17.

LFO Recommendation Approve the package.

LFO Recommended	(10,170,750)	(269,661)	-	-	224,585,215	1	214,144,805	-	-
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
2013-15 Agy. Leg. Adopted	-	-	-	-	-	-	-	-	-
2013-15 Ebds, SS & Admin Act	-	-	-	-	-	-	-	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2013-15 Leg Approved Budget	-	-	-	-	-	-	-	-	-
2013-15 Leg Approved Budget (Base)	-	-	-	-	-	-	-	-	-
Summary of Base Adjustments	-	-	-	-	-	-	-	-	-
2015-17 Base Budget	-	-	-	-	-	-	-	-	-
2015-17 Current Service Level	-	-	-	-	-	-	-	-	-
Adjusted 2015-17 Current Service Level	-	-	-	-	-	-	-	-	-
Total LFO Recommended Packages	-	8,240,000	-	-	-	-	8,240,000	-	-
2015-17 Legislative Actions	-	8,240,000	-	-	-	-	8,240,000	-	-
Net change from 2013-15 Leg Approved Budget	-	8,240,000	-	-	-	-	8,240,000	-	-
Percent change from 2013-15 Leg Approved Budget	0.0%	100.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%
Net change from 2015-17 Current Service Level	-	8,240,000	-	-	-	-	8,240,000	-	-
Percent change from 2015-17 Current Service Level	0.0%	100.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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Package 100 Transfer to HECC

Package Description Transfer to HECC: This package and similar packages in the other budget units for the Public University system transfer the budgets from the Department of Administrative Services (DAS) to the Higher Education Coordinating Commission. This change reflects the role of HECC and the Commission's relationship with the Public Universities after passage of legislation over the past two biennium making Public Universities independent. All Current Service Level Adjustments are made for this budget unit prior to the transfer to HECC by this package.

This budget unit includes the one percent of Lottery Funds deposited into the Department of Administration Services Economic Development Fund that is transferred to the Sports Action account to finance intercollegiate athletics and graduate student scholarships. Eighty-eight percent of the revenues deposited into the Sports Action Account are used to finance intercollegiate athletics. The remaining 12 percent are for graduate student scholarships that are not awarded on the basis of athletics. Of the athletic funds, 70 percent must be used for non-revenue producing sports, and at least 50 percent must be used for women's athletics.

LFO Recommendation Approve the package.

LFO Recommended	-	11,397,647	-	-	-	-	11,397,647	-	-
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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Package 807 Sports Action Lottery Adjustments

Package Description This package reduces Lottery Funds by \$3,157,647 to make a total of \$8.24 million Lottery Funds available for the 2015-17 biennium. The package implements a policy decision to continue to cap the Sports Action Lottery distribution to Public Universities at \$8.24 million for the biennium, the same level provided in 2013-15 adjusted for inflation. Of the \$8.24 million available, the University of Oregon and Oregon State University are limited to receiving \$1.03 million each.

The remaining \$8.24 million Lottery Funds is to be distributed as follows:

- University 2015-17 Approved Budget
- University of Oregon \$1,030,000
- Oregon State University \$1,030,000
- Portland State University \$2,525,560
- Oregon Institute of Technology \$873,440
- Western Oregon University \$1,034,120
- Southern Oregon University \$873,440
- Eastern Oregon University \$873,440

LFO Recommendation Approve the package.

LFO Recommended		(3,157,647)					(3,157,647)		
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
2013-15 Agy. Leg. Adopted	-	-	-	-	-	-	-	-	-
2013-15 Ebds, SS & Admin Act	-	-	-	-	-	-	-	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2013-15 Leg Approved Budget	-	-	-	-	-	-	-	-	-
2013-15 Leg Approved Budget (Base)	-	-	-	-	-	-	-	-	-
Summary of Base Adjustments	-	-	-	-	-	-	-	-	-
2015-17 Base Budget	-	-	-	-	-	-	-	-	-
2015-17 Current Service Level	-	-	-	-	-	-	-	-	-
Adjusted 2015-17 Current Service Level	-	-	-	-	-	-	-	-	-
Total LFO Recommended Packages	77,332,846	-	-	-	-	-	77,332,846	-	-
2015-17 Legislative Actions	77,332,846	-	-	-	-	-	77,332,846	-	-
Net change from 2013-15 Leg Approved Budget	77,332,846	-	-	-	-	-	77,332,846	-	-
Percent change from 2013-15 Leg Approved Budget	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%
Net change from 2015-17 Current Service Level	77,332,846	-	-	-	-	-	77,332,846	-	-
Percent change from 2015-17 Current Service Level	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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Package 100 Transfer to HECC

Package Description Transfer to HECC: This package and a similar package in the Oregon Health and Science University (OHSU) bond related budget unit transfer the budgets from the Department of Administrative Services (DAS) to the Higher Education Coordinating Commission. This change reflects ORS 353.140 as amended by SB 219 (already signed by the Governor) requiring that funding requests by OHSU approved by the Legislature shall be appropriated to HECC for direct allocation to OHSU. All Current Service Level Adjustments are made for this budget unit prior to the transfer to HECC by this package.

This budget unit includes all direct state payments to OHSU which are primarily education in nature. The State also contributes a significant amount of other funding to OHSU mainly through funding health services for state employees and clients through the Health Plan. The Current Service Level amounts for each of the programs in this budget unit:

- Program CSL Funding for 2015-17
- School of Medicine \$24,770,841
- School of Nursing \$21,422,479
- School of Dentistry \$10,039,481
- Office of Rural Health/AHEC \$4,388,996
- Scholars for a Healthy Oregon \$5,165,000
- Child Development & Rehabilitation Center (CDRC) \$7,964,430
- Oregon Poison Center \$2,548,619
- Primary Health Care Loan Forgiveness Program \$1,033,000

LFO Recommendation Approve the package.

LFO Recommended	77,332,846						77,332,846		
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
2013-15 Agy. Leg. Adopted	-	-	-	-	-	-	-	-	-
2013-15 Ebds, SS & Admin Act	-	-	-	-	-	-	-	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2013-15 Leg Approved Budget	-	-	-	-	-	-	-	-	-
2013-15 Leg Approved Budget (Base)	-	-	-	-	-	-	-	-	-
Summary of Base Adjustments	-	-	-	-	-	-	-	-	-
2015-17 Base Budget	-	-	-	-	-	-	-	-	-
2015-17 Current Service Level	-	-	-	-	-	-	-	-	-
070: Revenue Reductions/Shortfall	-	-	(510,485)	-	-	-	(510,485)	-	(3.67)
Adjusted 2015-17 Current Service Level	-	-	(510,485)	-	-	-	(510,485)	-	(3.67)
Total LFO Recommended Packages	3,282,811	-	2,561,791	731,958	-	-	6,576,560	24	22.44
2015-17 Legislative Actions	3,282,811	-	2,051,306	731,958	-	-	6,066,075	24	18.77
Net change from 2013-15 Leg Approved Budget	3,282,811	-	2,051,306	731,958	-	-	6,066,075	24	18.77
Percent change from 2013-15 Leg Approved Budget	100.0%	0.0%	100.0%	100.0%	0.0%	0.0%	100.0%	100.0%	100.0%
Net change from 2015-17 Current Service Level	3,282,811	-	2,561,791	731,958	-	-	6,576,560	24	22.44
Percent change from 2015-17 Current Service Level	100.0%	0.0%	501.8%	100.0%	0.0%	0.0%	1288.3%	100.0%	611.4%

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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Package 070 Revenue Shortfalls

Package Description Revenue reduction package: This package reflects the combination of falling revenues by the loss of one of the major scholarship programs administrated by OSAC and the consequences of transferring costs to Other Funds revenue over the few biennia. The result is that there is insufficient revenue to cover the expenditures funded with Other Funds in the Current Service Level. Most of the Other Funds revenue is from charges to various organizations that contract with OSAC to administer their scholarship programs. OSAC charges them a fee to pay for the direct and indirect (e.g., rent) administration costs. The two major organizations are concerned about any further fee increases revenue so the agency now must take actions to reflect the actual revenues available to the agency. This means that expenditures of \$510,485 Other Funds must be taken along with a reduction of 3.57 FTE. Package 214 proposes restoring some of these resources.

LFO Recommendation Approve the package.

LFO Recommended	-	-	(510,485)	-	-	-	(510,485)	-	(3.67)
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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Package 100 Transfer to HECC

Package Description Transfer to HECC: This package and similar packages in the other budget units for the Office of Student Access and Completion (OSAC) transfer the budgets from what was the Oregon Student Access Commission to the Higher Education Coordinating Commission. This change reflects legislation passed in a previous Session which folded OSAC into HECC. All Current Service Level Adjustments are made for this budget unit prior to the transfer to HECC by this package.

This budget unit includes all of the OSAC staff other than the ASPIRE staff. This includes the staff and related costs of the core administrative and support staff (including finance, information technology, clerical, and other), staff who administer the Opportunity Grant and other assistance programs, and those who administer the private scholarship program.

LFO Recommendation kApprove the package.

LFO Recommended	1,976,434	-	2,617,866	-	-	-	4,594,300	20	19.67
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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Package 131 OSAC Opportunity Grant expansion

Package Description Oregon Opportunity Grant Expansion: HB 2407 makes changes to the Oregon Opportunity Grant program including changes specifically related to eligibility, award amounts, priority awards, award guarantees, and award application deadlines. Implementing these changes will require significant reprogramming of the current Financial Aid Management (FAM) system that OSAC uses to process the Free Application for Federal Student Aid (FAFSA) data used to determine student eligibility and award amounts for the Opportunity Grants. This is estimated to cost \$250,000 General Fund in the 2015-17 biennium for service and supply costs related to information technology reprogramming. The OSAC is also seeking funding to make major improvements in the FAM system overall. The agency should integrate these changes with any of the major improvements resulting from efforts that are part of package 313.

LFO Recommendation Approve the package.

LFO Recommended	250,000	-	-	-	-	-	250,000	-	-
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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Package 213 OSAC Student Outreach

Package Description OSAC Student Outreach: This package is for the second year of the biennium and is funded with the federal College Access Challenge Grant which should be considered a one-time revenue given that the state must meet specific post-secondary spending levels to be eligible. The purpose of the package is to increase the awareness of post-secondary opportunities to students across the state. The staff included in this package would (1) travel the statewide providing information on financial aid, the federal Free Application for Federal; Student Aid (FAFSA), and scholarships; (2) coordinate expansion of the College Goal Sunday and the FAFSA Completion Pilot; and (3) provide FAFSA training and technical assistance to ASPIRE sites. \$600,000 of the funds in the package will be grants to OSAC partners.

LFO Recommendation Approve the package.

LFO Recommended	-	-	-	731,958	-	-	731,958	4	0.77
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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Package 214 OSAC Scholarship Restoration

Package Description OSAC Scholarship Restoration: Restores a portion of the staff and other resources lost in package 70 resulting from a combination of falling revenues by the loss of one of the major scholarship programs administrated by OSAC and the consequences of transferring costs to Other Funds revenue over the few biennia. General Fund resources of \$300,687 restore funding for 2.00 FTE of the 3.67 FTE eliminated in package 70.

This restoration should be one-time in nature. The agency should report back to the Ways and Means Committee during the 2017 legislative session on the funding as well as the direct and indirect costs of the scholarship programs and whether the sustainable at the current fees charged the organizations offering the scholarship. The program is unique and does offer a "one-stop" place to apply for a number of different scholarship opportunities. At the same time, the question must be addressed if this is a function that should be paid in part with General Fund if that is the case.

LFO Recommendation Approve the package.

LFO Recommended	300,687	-	(30,000)	-	-	-	270,687	-	2.00
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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Package 313 OSAC IT needs

Package Description Information Technology Needs: The Financial Aid Management (FAM) information system that OSAC uses to process the Free Application for Federal Student Aid (FAFSA) data used to determine student eligibility and award amounts for the Opportunity Grants is older and was at some risk of security breaches in the past. Some steps were taken to address issues on a temporary basis but the system still needs to be replaced. The agency is currently working on a business case and other initial project management needs but is not at the point to asking full funding for the project. This package proposes providing \$800,000 General Fund as a “down payment” until February 2015. At that time OSAC can return to request any further funding if necessary after following the necessary project management requirements below;

- Work closely with and regularly report project status to the Office of the State Chief Information Officer (CIO) and the Legislative Fiscal Officer (LFO) throughout the project’s Lifecycle;
- Follow the joint CIO and LFO Stage Gate Review Process;
- Retain, hire, appoint or contract for qualified project management services who have experience in planning and managing projects of this type, scope and magnitude;
- Update the Business Case and foundational project management documents as required by the CIO;
- Work with the CIO to contract with an independent quality management services firm to conduct an initial risk assessment, perform quality control reviews of foundational project documents as appropriate, and perform ongoing, independent quality management services as directed by the CIO;
- Submit the updated Business Case, project management documents, initial risk assessment and quality control reviews to the CIO and LFO for Stage Gate Review;
- Report back to the Legislature on project status during the 2016 Annual Legislative Session and/or to other Legislative committee as required;
- Request Legislative approval to proceed with the project prior to initiating project execution activities;
- Utilize the CIO’s Enterprise Project and Portfolio Management system as it is deployed for all project review, approval, and project status and Quality Assurance reporting activities throughout the life of the project.

LFO Recommendation Approve the package.

LFO Recommended	800,000	-	-	-	-	-	800,000	-	-
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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Package 804 Position Clean-up

Package Description Position Clean-up: Seven positions have been approved for reclassification base on review by the appropriate Human Resources personnel. The following positions are proposed to be reclassified; (1) an Office Specialist 2 to an Administrative Specialist 1, (2) a Program Analyst 3 to an Operations and Policy Analyst 3, (3) a Program Analyst 2 to a Program Analyst 3, (4) an Accounting Technician 2 to an Accounting Technician 3, (5) an Information Systems Specialist 5 to an Information Systems Specialist 7, and (6) two Information Systems Specialist 4s to Information Specialist 7s. The reclasses reflect the work currently being done by the positions. Total cost of these reclasses is \$22,864 General Fund and \$28,081 Other Funds. This package provides the Other Funds limitation increase but the agency will have to identify the General Fund resources within its budget.

LFO Recommendation Approve the packge.

LFO Recommended	-	-	28,081	-	-	-	28,081	-	-
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
2013-15 Agy. Leg. Adopted	-	-	-	-	-	-	-	-	-
2013-15 Ebds, SS & Admin Act	-	-	-	-	-	-	-	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2013-15 Leg Approved Budget	-	-	-	-	-	-	-	-	-
2013-15 Leg Approved Budget (Base)	-	-	-	-	-	-	-	-	-
Summary of Base Adjustments	-	-	-	-	-	-	-	-	-
2015-17 Base Budget	-	-	-	-	-	-	-	-	-
2015-17 Current Service Level	-	-	-	-	-	-	-	-	-
Adjusted 2015-17 Current Service Level	-	-	-	-	-	-	-	-	-
Total LFO Recommended Packages	948,619	-	14,529,568	-	-	-	15,478,187	-	-
2015-17 Legislative Actions	948,619	-	14,529,568	-	-	-	15,478,187	-	-
Net change from 2013-15 Leg Approved Budget	948,619	-	14,529,568	-	-	-	15,478,187	-	-
Percent change from 2013-15 Leg Approved Budget	100.0%	0.0%	100.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%
Net change from 2015-17 Current Service Level	948,619	-	14,529,568	-	-	-	15,478,187	-	-
Percent change from 2015-17 Current Service Level	100.0%	0.0%	100.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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Package 100 Transfer to HECC

Package Description Transfer to HECC: This package and similar packages in the other budget units for the Office of Student Access and Completion (OSAC) transfer the budgets from what was the Oregon Student Access Commission to the Higher Education Coordinating Commission. This change reflects legislation passed in a previous Session which folded OSAC into HECC. All Current Service Level Adjustments are made for this budget unit prior to the transfer to HECC by this package.

This budget unit includes the funding related (staff is in the Operations unit) to the over 500 private individual scholarship programs. Also included in this budget unit are the Oregon Student Child Care grant program (General Fund) and other state programs.

LFO Recommendation Approve the program.

LFO Recommended	948,619	-	14,529,568	-	-	-	15,478,187	-	-
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
2013-15 Agy. Leg. Adopted	-	-	-	-	-	-	-	-	-
2013-15 Ebds, SS & Admin Act	-	-	-	-	-	-	-	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2013-15 Leg Approved Budget	-	-	-	-	-	-	-	-	-
2013-15 Leg Approved Budget (Base)	-	-	-	-	-	-	-	-	-
Summary of Base Adjustments	-	-	-	-	-	-	-	-	-
2015-17 Base Budget	-	-	-	-	-	-	-	-	-
2015-17 Current Service Level	-	-	-	-	-	-	-	-	-
Adjusted 2015-17 Current Service Level	-	-	-	-	-	-	-	-	-
Total LFO Recommended Packages	127,883,621	11,816,379	1,213,213	-	-	-	140,913,213	-	-
2015-17 Legislative Actions	127,883,621	11,816,379	1,213,213	-	-	-	140,913,213	-	-
Net change from 2013-15 Leg Approved Budget	127,883,621	11,816,379	1,213,213	-	-	-	140,913,213	-	-
Percent change from 2013-15 Leg Approved Budget	100.0%	100.0%	100.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%
Net change from 2015-17 Current Service Level	127,883,621	11,816,379	1,213,213	-	-	-	140,913,213	-	-
Percent change from 2015-17 Current Service Level	100.0%	100.0%	100.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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Package 100 Transfer to HECC

Package Description Transfer to HECC: This package and similar packages in the other budget units for the Office of Student Access and Completion (OSAC) transfer the budgets from what was the Oregon Student Access Commission to the Higher Education Coordinating Commission. This change reflects legislation passed in a previous Session which folded OSAC into HECC. All Current Service Level Adjustments are made for this budget unit prior to the transfer to HECC by this package.

This budget unit includes the funding for the Oregon Opportunity Grant which is the primary financial aid program for post-secondary students in Oregon. Grants are made to Oregon applicants who are attending Community Colleges, Public Universities, and private colleges/universities.

LFO Recommendation Approve the package.

LFO Recommended	113,389,821	3,775,731	163,213	-	-	-	117,328,765	-	-
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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Package 131 OSAC Opportunity Grant expansion

Package Description Opportunity Grant expansion: This packages increases the Oregon Opportunity Grant to a level of \$140.75 million General Fund, Lottery Funds and Other Funds. This \$23.6 million increase over Current Service Level is almost a 20.1% increase. This amount represents a 3.7% increase over the amount available in 2013-15. At this level of funding, it is estimated that the average grant will be \$1,680 and will serve almost 84,000 recipients.

LFO Recommendation Apoprove the package.

LFO Recommended	14,493,800	8,040,648	1,050,000	-	-	-	23,584,448	-	-
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
2013-15 Agy. Leg. Adopted	-	-	-	-	-	-	-	-	-
2013-15 Ebds, SS & Admin Act	-	-	-	-	-	-	-	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2013-15 Leg Approved Budget	-	-	-	-	-	-	-	-	-
2013-15 Leg Approved Budget (Base)	-	-	-	-	-	-	-	-	-
Summary of Base Adjustments	-	-	-	-	-	-	-	-	-
2015-17 Base Budget	-	-	-	-	-	-	-	-	-
2015-17 Current Service Level	-	-	-	-	-	-	-	-	-
Adjusted 2015-17 Current Service Level	-	-	-	-	-	-	-	-	-
Total LFO Recommended Packages	1,652,164	-	192,887	661,488	-	-	2,506,539	11	7.14
2015-17 Legislative Actions	1,652,164	-	192,887	661,488	-	-	2,506,539	11	7.14
Net change from 2013-15 Leg Approved Budget	1,652,164	-	192,887	661,488	-	-	2,506,539	11	7.14
Percent change from 2013-15 Leg Approved Budget	100.0%	0.0%	100.0%	100.0%	0.0%	0.0%	100.0%	100.0%	100.0%
Net change from 2015-17 Current Service Level	1,652,164	-	192,887	661,488	-	-	2,506,539	11	7.14
Percent change from 2015-17 Current Service Level	100.0%	0.0%	100.0%	100.0%	0.0%	0.0%	100.0%	100.0%	100.0%

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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Package 100 Transfer to HECC

Package Description Transfer to HECC: This package and similar packages in the other budget units for the Office of Student Access and Completion (OSAC) transfer the budgets from what was the Oregon Student Access Commission to the Higher Education Coordinating Commission. This change reflects legislation passed in a previous Session which folded OSAC into HECC. All Current Service Level Adjustments are made for this budget unit prior to the transfer to HECC by this package.

This budget unit includes the staffing and other costs of the Access to Student Assistance Programs in Reach of Everyone or ASPIRE program. This program encourage students to attend a post-secondary institution by promoting a college-going culture in middle schools, high schools, community-based organizations, and colleges. The program relies on volunteers to act as mentors for the students.

LFO Recommendation Approve the package.

LFO Recommended	1,652,164	-	192,887	-	-	-	1,845,051	8	6.00
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ASPIRE

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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Package 212 OSAC: ASPIRE expansion

Package Description ASPIRE expansion: This package provides one-time resources to increase the number of ASPIRE sites by 112 for the second year of the biennium. If the State provides the minimum funding for post-secondary education in the 2015-16 school year the funds become available in October 2016. The funds provide for the partnership grants for each site, the necessary licenses for each site, resources for equipment and evaluation, and three positions (1.14 FTE). The positions work with ASPIRE site coordinators, provide training, assist in making site plans for recruitment of volunteers and students, and manage or oversee the sub-granting organizations.

LFO Recommendation Approve the package.

LFO Recommended	-	-	-	661,488	-	-	661,488	3	1.14
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
2013-15 Agy. Leg. Adopted	-	-	-	-	-	-	-	-	-
2013-15 Ebds, SS & Admin Act	-	-	-	-	-	-	-	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2013-15 Leg Approved Budget	-	-	-	-	-	-	-	-	-
2013-15 Leg Approved Budget (Base)	-	-	-	-	-	-	-	-	-
Summary of Base Adjustments	-	-	-	-	-	-	-	-	-
2015-17 Base Budget	-	-	-	-	-	-	-	-	-
2015-17 Current Service Level	-	-	-	-	-	-	-	-	-
Adjusted 2015-17 Current Service Level	-	-	-	-	-	-	-	-	-
Total LFO Recommended Packages	-	-	-	-	-	-	-	-	-
2015-17 Legislative Actions	-	-	-	-	-	-	-	-	-
Net change from 2013-15 Leg Approved Budget	-	-	-	-	-	-	-	-	-
Percent change from 2013-15 Leg Approved Budget	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Net change from 2015-17 Current Service Level	-	-	-	-	-	-	-	-	-
Percent change from 2015-17 Current Service Level	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

Legislatively Proposed 2015-2017 Key Performance Measures

Agency: Higher Education Coordinating Commission

Mission: The Higher Education Coordinating Commission seeks to:

Broaden pathways to the goal of educational success beyond high school by achieving at least 40% of adult Oregonians earning a bachelor's degree or higher and at least 40% of adult Oregonians earning an associate's degree or post-secondary credential as their highest level of educational attainment by 2025 (see ORS 351.009 Mission of Education Beyond High School)

Make the pathways accessible, affordable and supportive for students

Steer the higher education enterprise

Cheer the promotion of college completion and career readiness

Legislatively Proposed KPMs	Customer Service Category	Agency Request	Most Current Result	Target 2016	Target 2017
1 - Oregon High School Graduates Attending College - Percentage of Oregon students enrolled in college within 16 months of their 4-year high school cohort graduation date.		Proposed New KPM		66.00	66.00
2 - College Credits Earned by K-12 Students - Amount of postsecondary credit per graduate awarded to K-12 students.		Proposed New KPM			
3 - Number of adult high school diplomas/GEDs earned - Number of people earning GEDs and adult high school diplomas in Oregon each year.		Proposed New KPM			
4 a - Developmental education pass rates - Percent of students enrolled in a developmental education math or writing course below the 100 level who successfully complete the course: Writing.		Proposed New KPM		69.00	69.00
4 b - Developmental education pass rates - Percent of students enrolled in a developmental education math or writing course below the 100 level who successfully complete the course: Math		Proposed New KPM		63.00	63.00
5 a - Success of developmental education students in college math and English - Percent of students enrolled in at least 6 credits who successfully complete college-level math or writing course within 24 months of enrolling in a corresponding community college math or writing developmental education course compared to the number of students enrolled in developmental education generally: Math.		Proposed New KPM		23.00	23.00

Agency: Higher Education Coordinating Commission

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Legislatively Proposed KPMs	Customer Service Category	Agency Request	Most Current Result	Target 2016	Target 2017
5 b - Success of developmental education students in college math and English - Percent of students enrolled in at least 6 credits who successfully complete college-level math or writing course within 24 months of enrolling in a corresponding community college math or writing developmental education course compared to the number of students enrolled in developmental education generally: Writing.		Proposed New KPM		44.00	44.00
6 - Number of community college students who have earned 15-29 college credits.		Proposed New KPM		38,000.00	38,000.00
7 - Number of community college students who have earned 30-44 college credits.		Proposed New KPM		24,500.00	24,500.00
8 - Number of community college students who earn at least 45 college credits.		Proposed New KPM		5,850.00	5,850.00
9 - Certificate and OTM Earners - Number of certificates awarded and Oregon Transfer Modules (OTM) earned each academic year.		Proposed New KPM		8,650.00	8,650.00
10 - Associate's Degrees - Number of associate's degrees completed each academic year.		Proposed New KPM		12,000.00	12,000.00
11 - Completion Ratio - Number of degrees, certificates completed, and transfer prior to completion per 100 credit-bearing FTE		Proposed New KPM		38.00	38.00
12 - Community college to university transfers - Number of students who transfer to any four-year institution each academic year.		Proposed New KPM		26,750.00	26,750.00
13 a - Earnings of community college completers - Median earnings of community college completers four quarters and five years after completion: 4 quarters.		Proposed New KPM		20,200.00	20,200.00

Agency: Higher Education Coordinating Commission

Mission: The Higher Education Coordinating Commission seeks to:

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Legislatively Proposed KPMs	Customer Service Category	Agency Request	Most Current Result	Target 2016	Target 2017
13 b - Earnings of community college completers - Median earnings of community college completers four quarters and five years after completion: 5 Years.		Proposed New KPM		36,000.00	36,000.00
14 a - Earnings of community college leavers - Median earnings of community college students who left but earned at least 12 credits: 4 Quarters.		Proposed New KPM			
14 b - Earnings of community college leavers - Median earnings of community college students who left but earned at least 12 credits: 5 Years		Proposed New KPM			
15 - First-year retention rate - Percentage of Oregon public university students starting in a fall term and returning to an Oregon public university the following fall.		Proposed New KPM		83.00	83.00
16 - Six-year public university graduation rate - Percentage of full-time first-time students in an entering cohort that had graduate from an Oregon public university six years later.		Proposed New KPM		60.50	60.50
17 - Number of bachelor's degrees awarded each academic year - Number of bachelor's degrees awarded at Oregon public universities each academic year		Proposed New KPM		16,850.00	16,850.00
18 - Number of advanced degrees and graduate certificates awarded - Number of advanced degrees and graduate certificates awarded at Oregon public universities each academic year.		Proposed New KPM		4,560.00	4,560.00
19 - Bachelor's degrees awarded to community college transfers - Number of bachelor's degrees awarded to transfer students from Oregon community colleges each academic year		Proposed New KPM		4,400.00	4,400.00

Agency: Higher Education Coordinating Commission

Mission: The Higher Education Coordinating Commission seeks to:

Broaden pathways to the goal of educational success beyond high school by achieving at least 40% of adult Oregonians earning a bachelor's degree or higher and at least 40% of adult Oregonians earning an associate's degree or post-secondary credential as their highest level of educational attainment by 2025 (see ORS 351.009 Mission of Education Beyond High School)

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Legislatively Proposed KPMs	Customer Service Category	Agency Request	Most Current Result	Target 2016	Target 2017
20 - Graduation rate for non-traditional students - Graduation rate for newly admitted undergraduate students who are not first-time full-time freshman students (within six years of enrollment).		Proposed New KPM		63.00	63.00
21 a - Earnings of bachelor's degree completers - Median earnings of graduating students (BA/BS only) four quarters and five years after graduation: 4 Quarters.		Proposed New KPM		13,350.00	13,350.00
21 b - Earnings of bachelor's degree completers - Median earnings of graduating students (BA/BS only) four quarters and five years after graduation: 5 Years.		Proposed New KPM		32,600.00	32,600.00
22 - Percentage of resident enrolled students who are incurring unaffordable costs.		Proposed New KPM			
23 - Percentage of resident enrolled students who are incurring unaffordable costs adjusted with institutional aid.		Proposed New KPM			
24 a - University graduate debt - Average debt amount of Bachelor's graduates accompanied by percent of graduates who are borrowers: Debt Amount.		Proposed New KPM		24,700.00	24,700.00
24 b - University graduate debt - Average debt amount of Bachelor's graduates accompanied by percent of graduates who are borrowers: Percentage of Students with Debt.		Proposed New KPM			
25 a - Student loan default rates - Three-year official cohort student loan default rates: Public Universities		Proposed New KPM		6.40	6.40
25 b - Student loan default rates - Three-year official cohort student loan default rates: Public Community Colleges.		Proposed New KPM		22.90	22.90
25 c - Student loan default rates - Three-year official cohort student loan default rates: Higher Education Institutions		Proposed New KPM		14.30	14.30

Agency: Higher Education Coordinating Commission

Mission: The Higher Education Coordinating Commission seeks to:

Broaden pathways to the goal of educational success beyond high school by achieving at least 40% of adult Oregonians earning a bachelor's degree or higher and at least 40% of adult Oregonians earning an associate's degree or post-secondary credential as their highest level of educational attainment by 2025 (see ORS 351.009 Mission of Education Beyond High School)

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Legislatively Proposed KPMs	Customer Service Category	Agency Request	Most Current Result	Target 2016	Target 2017
26 - Average cost of attendance - Average cost of attendance for resident undergraduates minus grant aid as a percentage of median income.		Proposed New KPM		27.50	27.50
27 - Tuition and fees - Average statewide tuition and fees minus grant aid and net assess tuition and fees per resident, undergraduate FTE (colleges and universities).		Proposed New KPM			
28 - CUSTOMER SERVICE - Percent of customers rating their satisfaction with the agency's customer service as "good" or "excellent": overall, timeliness, accuracy, helpfulness, expertise, availability of information.		Proposed New KPM			
28 - CUSTOMER SERVICE - Percent of customers rating their satisfaction with the agency's customer service as "good" or "excellent": overall, timeliness, accuracy, helpfulness, expertise, availability of information.	Accuracy	Proposed New KPM		90.00	90.00
28 - CUSTOMER SERVICE - Percent of customers rating their satisfaction with the agency's customer service as "good" or "excellent": overall, timeliness, accuracy, helpfulness, expertise, availability of information.	Availability of Information	Proposed New KPM		90.00	90.00
28 - CUSTOMER SERVICE - Percent of customers rating their satisfaction with the agency's customer service as "good" or "excellent": overall, timeliness, accuracy, helpfulness, expertise, availability of information.	Expertise	Proposed New KPM		90.00	90.00
28 - CUSTOMER SERVICE - Percent of customers rating their satisfaction with the agency's customer service as "good" or "excellent": overall, timeliness, accuracy, helpfulness, expertise, availability of information.	Helpfulness	Proposed New KPM		90.00	90.00

Agency: Higher Education Coordinating Commission

Mission: The Higher Education Coordinating Commission seeks to:

Broaden pathways to the goal of educational success beyond high school by achieving at least 40% of adult Oregonians earning a bachelor's degree or higher and at least 40% of adult Oregonians earning an associate's degree or post-secondary credential as their highest level of educational attainment by 2025 (see ORS 351.009 Mission of Education Beyond High School)

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Legislatively Proposed KPMs	Customer Service Category	Agency Request	Most Current Result	Target 2016	Target 2017
28 - CUSTOMER SERVICE - Percent of customers rating their satisfaction with the agency's customer service as "good" or "excellent": overall, timeliness, accuracy, helpfulness, expertise, availability of information.	Overall	Proposed New KPM		90.00	90.00
28 - CUSTOMER SERVICE - Percent of customers rating their satisfaction with the agency's customer service as "good" or "excellent": overall, timeliness, accuracy, helpfulness, expertise, availability of information.	Timeliness	Proposed New KPM		90.00	90.00
29 - BEST PRACTICES - Percent of total best practices met by the Commission.		Proposed New KPM			

LFO Recommendation:

All of the KPMs are listed as "Proposed New KPM" but some of them are similar to KPMs that were under one of the component agencies that were folded into HECC including the Department of Community Colleges and Workforce Development, Oregon Student Access Commission, and the Oregon University System. HECC is proposing 43 different KPMs or subset KPMs including the multiple customer service KPMs. A number of the measures do not have targets at this time since the data for measuring the KPM is still being developed or baseline data is lacking. These include Measures 2, 3, 14a, 14b, 21a, 21b, 24b, and 27. Since this HECC's first set of independent KPMs it is preliminary to judge the performance of the agency against progress on their KPMs. Many of them are tied or measure similar trends that the funding formulas for Public Universities and Community Colleges that HECC is discussing to include in their performance or completion based distribution formulas. LFO recommends that the KPMs and their initial targets be accepted. Many of the targets may change in future biennia as better baseline data for many of the KPMs are developed or collected.

Sub-Committee Action: