



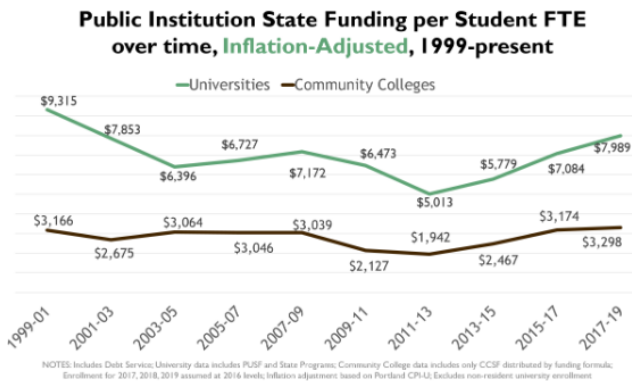
Memo

TO House Education Committee
FROM Mark Ankeny, Vice President for Enrollment Management and Student Affairs
DATE May 6, 2019
RE Concerns from Pacific University regarding Oregon Senate Bill 3

Chair Doherty and members of the House Education Committee, on behalf of Pacific University, I wanted to share with you concerns regarding Oregon Senate Bill 3. Founded in 1849, Pacific University is a diverse learning community offering a unique combination of nationally recognized undergraduate, graduate and professional programs in the arts and sciences, education, business, optometry and the health professions. After analyzing the potential impact of SB 3, our institution has several concerns that I thank you for considering.

With declining enrollment of Oregon students attending Oregon universities this is no time to further divide declining public funding for higher education in new degrees at Oregon community colleges.

Higher education in Oregon is at a crossroads. Student FTE in Oregon public universities continues to decline. This decline hit the community colleges first, from a high of 125,218 FTE in 2011 to 90,318 FTE in 2018. The FTE in 2018 is actually lower than in 2006. Community college enrollment always goes up during an economic downturn and did so dramatically in the years immediately after the start of the Great Recession. With Oregon's unemployment rate dropping from 10.5% in 2011 to 4% in 2018 many college age students are delaying or forgoing higher education to enter the workforce. Declining enrollment is not unique to Oregon community colleges however. The number of university students from Oregon who attended Oregon public universities also peaked in 2011 (56,565 FTE) and has dropped ever since falling to 50,651 in 2018, nearly the same FTE of students from Oregon in 2007. Though the chart below makes it appear that investment in students has gone up, in reality the average amount has increased because the FTE has decreased.



Ironically, the FTE of out-of-state students has increased steadily in the last 13 years from 15,302 in 2005 to 31,394. The effect of that switch means that Oregon's investment in Oregon students is falling. Why does this information matter in relation to Senate Bill 3? There are not enough public resources to invest in additional bachelor degree programs at the community colleges, especially at a time of declining student FTE and declining total spending.

Couple the falling enrollment in Oregon students attending Oregon institutions of higher education with the fact that there are two even greater danger signs in the future: 1) only 78.7% of Oregon public high school students graduate, and of those, only a range of 47%--59% have gone directly to college in each of the last four years; 2) the number of Oregon high school students is expected to decline by 4.3% over the next 10 years.

Oregon private universities are already serving these community college students who earn technical degrees at the community college level.

At Pacific University we currently offer five applied or professional degrees: Bachelor of Dental Hygiene (BSDH); Bachelor of Education (BED); Bachelor of Health Sciences (BHS); Bachelor of Social Work (BSW); and Bachelor of Applied Vision Science (BAVS). Three of these have direct pathways out of Oregon community colleges, including offering these programs on or extremely near these partner community colleges. One of these degrees (BHS) is offered primarily through distance education, allowing students to access their degree no matter where they are located. With the success of these programs we are looking at expanding our co-location and cooperation with select Oregon community colleges.

Pacific University is not alone in serving the type of students mentioned in Oregon Senate Bill 3. A quick look at the Alliance institutions reveals that several offer degree-completion programs (face-to-face and online) while others offer a variety of professional programs, especially in nursing and engineering. Though the nursing and engineering programs may be primarily for traditional undergraduate students a couple of the programs have created pathways from Oregon community colleges.

All of this service to Oregon students comes at no cost to the state of Oregon other than the limited scholarship dollars offered to Oregon students who attend Oregon private institutions.

A better investment in Oregon students would be to increase the amount of state scholarships going to Oregon students to Oregon private and public institutions.

Oregon ranks near the bottom of investing in their citizens who attend higher education in the state. On average Oregon offers \$1902 to citizens who qualify for Oregon Opportunity Grants. Compare this to our neighbor states of California and Washington who offer more than \$4000 per low-income student. Investing in more scholarship money would be an asset for the state, especially if those students attend an Alliance institution. Low-income students who attend Alliance institutions graduate in four years at a higher rate (56%) than at Oregon public institutions (39%). This investment is not only more efficient but also leads to greater chance that low-income students who graduate from an Alliance school have a greater likelihood of prosperity (defined as moving from the bottom fifth of family income as children to the top fifth as an adult) than if they attended an Oregon public institution. At Alliance institutions 29% of these low-income students made this significant jump in one generation. Important to note that students who attend Oregon public institutions also did well (26%) compared to the national average (16%).

Another way to see this efficiency is to realize that the \$1902 investment in Alliance students is miniscule compared to the public fund investment in Oregon students who attend an Oregon public institution: Community college investment (\$1902 scholarship average to low-income students + \$3298 average cost per FTE); four-year public investment ((\$1902 scholarship average to low-income students + \$7989 average cost per FTE);

Jumping on the bandwagon for free community college or to expand to four-year opportunities appears to be politically attractive.

On the surface one can see why legislators think that this is a good idea, since information such as the expenditure per FTE looks favorable in comparing community college investment to four-year university investment.

What may be a more promising idea would be to merge public investment in students by blending the last year of high school with community college opportunities. This would relieve expenditures at the k-12 level for technical programs while expanding the possibility for other students to earn college credit in general education courses for high school students. To make this change would create a massive cultural shift in what the 12th year of school is like. However, other countries operate in this model quite successfully.