

ANALYSIS

Item 4: Higher Education Coordinating Commission Improvement of Postsecondary Education

Analyst: Kim To

Request: Approve, retroactively, the submission of a federal grant application to the U.S. Department of Education under the Fund for the Improvement of Postsecondary Education, in the amount of \$2,500,000, to support capacity-building for programs that prepare learners for in-demand occupations and industries.

Analysis: On November 12, 2025, the U.S. Department of Education announced the availability of the Fund for the Improvement of Postsecondary Education (FIPSE) grant. The purpose of the grant is to support four areas of national need: (1) expand the understanding and use of in Artificial Intelligence (AI) in education; (2) protect and promote civil discourse on campuses; (3) streamline accreditation; and (4) build capacity for high-quality short-term programs. The application deadline was December 3, 2026. On November 24, 2025, The Higher Education Coordinating Commission (HECC) submitted a 10-day notification letter and subsequently submitted the application on December 3, 2025.

If awarded, HECC will use grant funding to build on Future Ready Oregon efforts to design and launch short-term workforce training programs that will be eligible for the new Workforce Pell grants. HECC anticipates providing subgrant funds to community colleges and workforce partners to support programs that incorporate pathways from secondary Career Technical Education and Integrated Education and Training/Adult Basic Skills, work-based learning, and Credit for Prior Learning (CPL). Grant funding will also provide technical assistance and training on program design, accessibility, advising, and data use to enhance career and data systems to link learners to jobs and track enrollment, completion, work-based learning, and employment outcomes.

There is no state match requirement and HECC will use existing staff to administer the grant.

Recommendation: The Legislative Fiscal Office recommends that the Joint Interim Committee on Ways and Means approve the request.

Request: Retroactive authorization for the Higher Education Coordinating Commission (HECC) to apply for a \$2,500,000 grant from the U.S. Department of Education for capacity-building of short-term programs that are responsive to industry and economic needs.

Recommendation: Approve the request.

Discussion: HECC requests retroactive authorization to apply for a \$2,500,000 Fund for the Improvement of Postsecondary Education grant through the U.S. Department of Education. The purpose of this grant is to support innovative projects at institutions of higher education that address one or more areas of national need. This funding opportunity focuses on supporting four areas of national need: (1) advancing the understanding of and use of Artificial Intelligence (AI) technology in postsecondary education; (2) promoting civil discourse on college and university campuses; (3) promoting accreditation reform; and (4) supporting capacity-building for high-quality short-term programs.

HECC applied for grant funding to support capacity-building for high-quality short-term programs (area four listed above). Capacity-building includes activities such as employer engagement; integrating work-based learning components into short-term postsecondary programs; hiring program faculty and staff; purchasing equipment; improving classrooms/laboratories; improving data collection and reporting capabilities to support Workforce Pell eligibility determinations; and designing new programs.

If awarded, HECC plans to allocate \$2,125,000 to community colleges, on a competitive basis, to create new programs or transform existing programs that will be eligible for ongoing support through federal Workforce Pell funding. HECC plans to retain the remaining \$375,000 for direct and indirect administration costs.

The grant was announced on November 12, 2025, the agency provided a 10-day notice on November 24, 2025, and applications were due on December 3, 2025. There is no match or cost-sharing requirement associated with the grant. If awarded, HECC will leverage existing staff resources to administer the grant but may request an increase in Federal Funds expenditure limitation at a future meeting of the legislature.



Oregon

Tina Kotek, Governor

Higher Education Coordinating Commission

3225 25th Street SE

Salem, Oregon 97302

www.oregon.gov/HigherEd

December 8, 2025

The Honorable Senator Kate Lieber, Co-Chair
The Honorable Representative Tawna Sanchez, Co-Chair
Interim Joint Committee on Ways and Means
900 Court Street NE, H-178
Salem, OR 97301

Dear Co-Chairpersons:

Nature of the Request

The Higher Education Coordinating Commission (HECC) is requesting retroactive approval to apply for a federal funding opportunity from the U.S. Department of Education (DOE) under the Fund for the Improvement of Postsecondary Education (FIPSE) grant. The purpose of this opportunity is to support four areas of national need:

- (1) advancing the understanding of and use of Artificial Intelligence (AI) technology in postsecondary education,
- (2) promoting civil discourse on college and university campuses,
- (3) promoting accreditation reform, and
- (4) supporting capacity-building for high-quality short-term programs.

HECC has applied for the fourth area; supporting capacity-building for high-quality short-term programs in the amount of \$2,500,000. This grant supports HECC's mission by supporting the development and improvement of programs that are responsive to industry and economic needs. This grant will increase the relevance of postsecondary education and training – one of the goals in the HECC's Strategic Plan – by expanding opportunities for learners in programs that prepare them for in-demand occupations and industries. The grant also makes progress on affordable access – another goal in the HECC Strategic Plan – by helping community colleges offer programs that allow learners to leverage the new Workforce Pell grants.

Agency Action

After this opportunity was posted on November 12th, 2025, HECC submitted a 10-day notification letter on November 24th, 2025 and applied on December 3rd, 2025. HECC will not be requesting additional positions or FTE. A match is not required, and the Period of Performance will be 48 months after the award date. HECC is proposing to expand short-term workforce training programs that will be eligible for the new Workforce Pell Grants, established by Congress through H.R. 1. Specifically, the application proposes to (a) use statewide gap and certificate scans informed by Future Ready Oregon occupational profiles and the Oregon Talent Assessment to identify priority occupations, regions, and near-eligible certificates; (b) subgrant funds to community colleges and partners to design and launch new Workforce Pell-eligible short-term credentials; (c) co-design programs with employers and workforce boards so that work-based learning, Credit for Prior Learning (CPL), and clear pathways from secondary Career Technical Education and Integrated Education and Training/Adult Basic Skills are built in from the start; (d) provide technical assistance and training on program design, CPL, accessibility, advising, and data use; and (e) enhance career and data systems to link learners to jobs and track enrollment, completion, work-based learning, and employment outcomes.

Action Requested

HECC requests retroactive approval to apply for this FIPSE grant in the amount of \$2,5000,000 from DOE.

Legislation Affected

None

Sincerely,

A handwritten signature in black ink that reads "Ben Cannon".

Ben Cannon, Executive Director

Higher Education Coordinating Commission