



—Compelling Ourselves from
Education Crisis to Turnaround



TAKING BACK OREGON'S FUTURE:

A Policy Option Package to Increase Oregonians' Preparation for and Success in Postsecondary Education



Oregon State Board of Higher Education (OSBHE)
Student Participation and Completion Committee

July 2008



Summary of Policy Option Package: Student Success

This Policy Option Package seeks to do the following for Oregon’s citizens: determine our own future by ensuring that we have the highly educated, skilled knowledge workers to sustain a strong and stable economy and ensure educational equity. This proposal focuses on **increasing the educational attainment rates for Oregonians who currently have the lowest access to and opportunity for postsecondary education in the state—first-generation and other underserved students**—through funding programs and outreach which will most quickly and effectively prepare more first-generation and other underserved students for college, **and significantly increase the numbers of these students who stay in college through graduation.**

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1. The OUS Policy Option Package: OpportunityOREGON *Addressing Growth and Capacity in Student Preparation, Participation and Completion of Postsecondary Education*

The imperative to increase the number of Oregon students who are prepared for, attend, and complete a postsecondary education could not be more clear. Oregon’s education, business, government, and legislative leaders, as well as our citizens, have a responsibility to act now and to act decisively. **Oregon’s economy cannot be sustained at a healthy level if we continue on the current trajectory without any change in the educational capital of our citizens**, brought about by increasing the educational attainment rates of a greater number and diversity of graduates.

Specific barriers stand in the way of underserved students in Oregon going to college, and being able to persist to graduation. Through the State Board of Higher Education’s Committee on Student Participation and Completion, a series of forums were convened in 2007 to learn from several student population groups, and the experts and practitioners who work with them, the specific barriers inhibiting postsecondary participation and success. These information-sharing meetings met with and focused on the following student populations: American Indian; African American; Latino; Asian American; rural; urban; first-generation; and students with disabilities. Additionally, a one-day symposium was held at Portland State University, gathering more than 350 educators, practitioners, researchers, policymakers, students, and others to further explore the barriers to postsecondary education, the best practices in eliminating barriers and preparing students for college success, and what measures Oregon must take to move greater numbers of students into the postsecondary arena.

The Link Between Education and Economic Vitality

“No state can prosper with a poorly educated workforce, nor can it continue to prosper if its workforce fails to learn continuously. The connections between a state’s economic vitality and a skilled workforce are inescapable.”

“A governor concerned about economic development recently observed at a national forum that the **rich states are not those with low taxes, but those with a lot of well educated people.**”

Source: Adult Learners and State Policy; Voorhees & Lingenfelter; SHEEO, CAEO; 2003

Identifying and Addressing Barriers to Participation and Completion

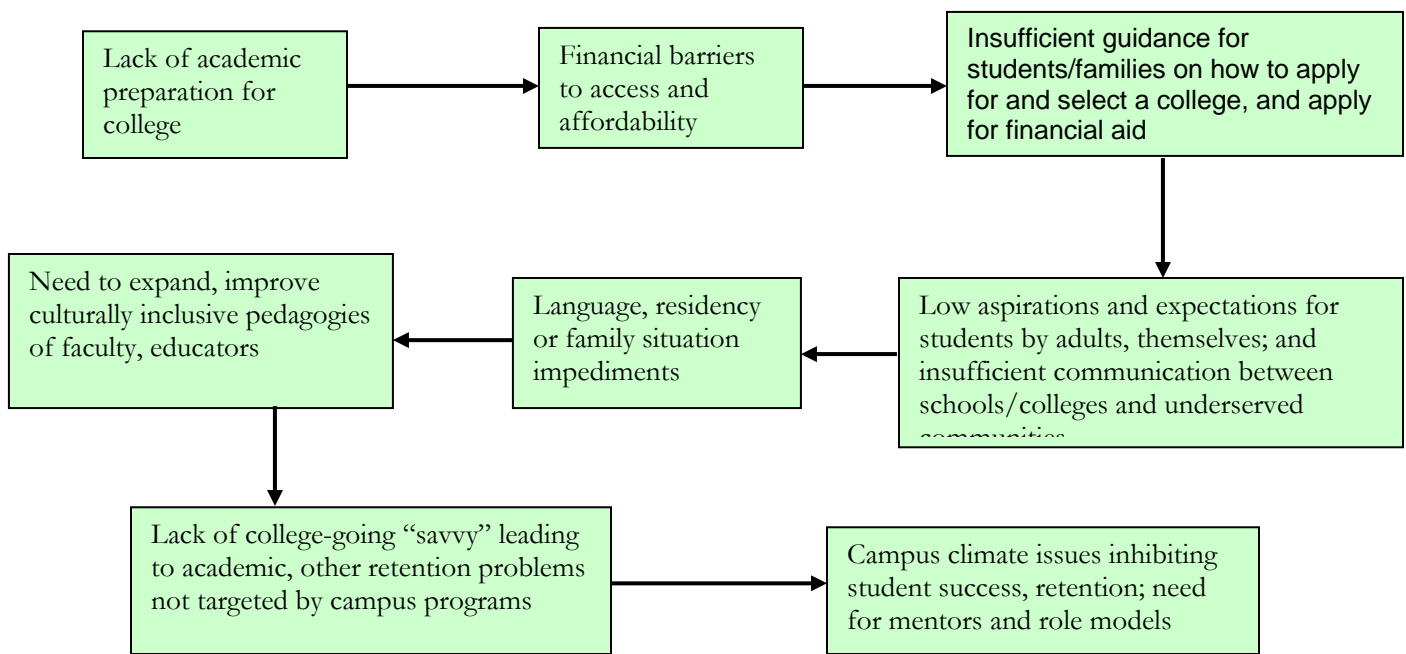
The OUS Policy Option Package outlined below describes how the State of Oregon, through the Oregon University System and its many education and other partners, can (1) significantly and quickly increase the number of students entering postsecondary education; (2) improve their academic preparation for college, and thus increase their ability to persist and complete a degree; and (3) increase the capacity of Oregon public institutions of higher education to support students’ success.

Each component of this comprehensive package addresses the barriers and offers best practices to address these barriers in a focused and deliberative manner. If adopted in full, **this approach will enable Oregon to make significant progress in increasing its educational attainment rate among the most underserved populations in the state, meeting the knowledge and skill requirements of the current and future economy, and ensuring growth and community success in every corner of the state.** As seen in studies

completed by the OUS¹ — **after controlling for disparities in high school GPA and SAT scores — there is no statistically significant difference in the odds of college graduation of African American, Asian/Pacific Islander, Hispanic/Latino, and White freshmen.** In other words, through high expectations of all students, the availability of pre-college preparation programs, and in-college support, all Oregon students can enter and succeed in postsecondary education, gaining the skills and degrees they need to contribute to their families and communities.

While the barriers are numerous, and some specific to certain student populations, the chart below summarizes the key components which keep students from entering, succeeding in, and completing college.

Barriers to Oregon Students Entering and Completing Postsecondary Education



Many underserved students are first-generation, being the first in their families to attend college, and face the barriers described above. Dr. Pete Collier, Director of the *Students First Mentoring Program* at Portland State University aimed at improving student retention, summarizes the characteristics of first-generation PSU students as likely to:

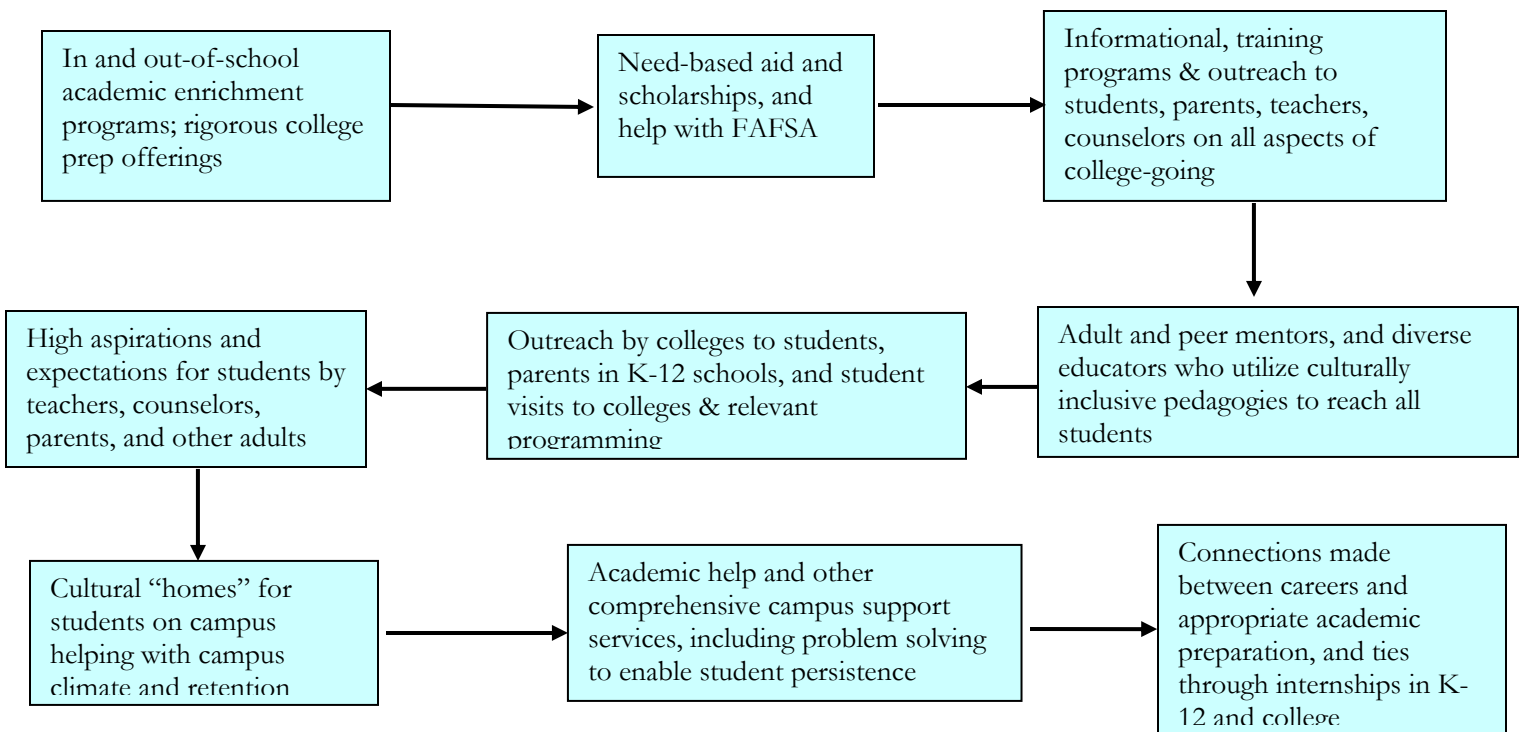
- Be African American, Hispanic or American Indian
- Come from lower-income families
- Be female, older, with dependent children
- Delay entry into postsecondary education
- Begin college at a 2-year institution
- Need remedial coursework
- Take classes part-time while working full-time; and
- Do not have consecutive enrollment, but serially stop out of and return to college.

¹ OUS Institutional Research, “Looking Back Along the Long and Winding Road,” 2003

While these characteristics may vary at different institutions depending on the student demographics, most underserved students have at least one of the characteristics above and most fit in more than one category.

While there are numerous ways to address the many barriers which keep students from accessing and completing a postsecondary education, the summary chart below identifies the main categories of best practices which are outlined in the policy option package detailed below. Each of the components of the **OpportunityOREGON** proposal directly addresses the identified and integrated solutions for increasing student participation and completion in postsecondary education in Oregon.

Best Practices Helping Oregon Students Prepare for, Enter, and Complete Postsecondary Education



Dr. Collier described to the Board of Higher Education Committee on Student Participation and Completion the areas of retention program emphasis for first-generation students at PSU as: (1) Connecting students to the campus and other students; (2) Recognizing student adjustment issues; (3) Identifying campus resources and using each appropriately; and (4) Developing strategies for dealing with issues in these and other areas facing students. Again, these are among the best practices that retention programs commonly used to help retain first-generation students and support them for success to graduation.

Summary of OpportunityOREGON Policy Option Package Components

The policy option package proposal below, called **OpportunityOREGON**, contains a number of critical, connected elements which specifically address the identified barriers, and the best practices, that will advance the expressed goals of the State Board of Higher Education for increased student participation and completion in postsecondary education in Oregon. **The total Legislative Policy Package funding request outlined in the initiatives below is a \$13.0 million** request for state funding in the 2009 Legislative Session. The Board of Higher Education and the Participation and Completion Committee **believe strongly that this level of funding must be provided over an extended period of time until underserved student participation and completion rates reach those advantaged student populations. This cannot be one-time funding or it will have no measureable effect or gains for Oregon in any respect: educationally, economically, or in meeting state workforce needs.**

Besides having comprehensive and connected elements in this package, it is also predicated on a close partnership between the Oregon University System, the Oregon Department of Community Colleges and Workforce Development, the Oregon Department of Education, and other partners, including the business community, foundations, and community-based organizations in the state. The Board and the Committee who have developed this proposal believe it to be imperative that all education sectors work in close cooperation to address these serious issues, both for efficacy as well as to expend state resources in the most expedient manner.

Student Success Policy Option Package Proposal	
<p>Component #1:</p> <p>OpportunityOREGON: PrepareCollege</p> <p>Total funding: \$9.2 million from state</p>	<p>This global proposal contains 4 connected, targeted initiatives (1.1 to 1.4 below) to positively impact Oregon student preparation for and participation in postsecondary education, focusing on pre-college academic preparation components, and other programming to ensure that students and families understand how to access and prepare for postsecondary education.</p>
<p>1.1 OpportunityOREGON: ReachCollege</p> <ul style="list-style-type: none"> ▪ Subtotal of \$5.95 million from state, managed by OUS (grant amount and number to be determined, but grants could range from \$50k to \$400k each, approximately, for staffing administration, evaluation and oversight (can outsource evaluation and other components, working with a foundation to administer). 	<p>Increase capacity and reach, and replicate existing or create new pre-college academic enrichment, college outreach, and college preparatory programs for first-generation and other underserved Oregon students -- especially those also in underserved communities -- including in- and out-of-school time and summer bridge programs that help students transition from one school-level to the next (middle to high school, high school to college) by being academically and otherwise prepared to enroll in and succeed in college. These programs can be based in middle or high schools, community colleges, OUS institutions, or community-based organizations, and should work in collaboration with other education and community partners.</p>

<ul style="list-style-type: none"> ▪ A small amount of this funding will also be utilized to convene practitioners for in-service training and to learn about best practices that will directly benefit students. ▪ This proposal also includes \$800,000 for second biennium funding of the Rural Access Initiative. ▪ Partners to include: OUS; ODE; middle and high schools; community colleges; OCCWD; ETIC; OPAS; Business Ed Compact; Business Associations; Worksource Oregon; Tribal organizations; CBOs; and others to be identified. 	<p>Funding will provide capacity grants to existing pre-college academic enrichment programs with proven track records, or new programs or initiatives with the ability to succeed, as a very quick way of expanding the number of students engaged in academic enrichment programs and positively impacting student preparation, participation (OUS and community colleges enrollment) and success in college.</p> <p>Examples of programs could include but not be limited to middle/high school-based, campus-based, and community-based academic enrichment programs, as well as programs offering advanced credits as a strategy to increase the number of underserved students who enroll in postsecondary education in the initial year following high school graduation. Programs should include offerings that are culturally appropriate to students from diverse backgrounds. Programs should include some component of linking career aspirations to students' educational learning plans in middle and high school.</p> <p>Preference will be given to programs/initiatives which partner with other educational institutions, such as a high school, tribal entity, or community-based organization partnering with a community college or OUS institution. Programs must increase the number of students enrolled in and who complete these pre-college programs, and who enroll at higher than average rates into postsecondary education after high school graduation than students who have not participated in such enrichment programs.</p>
<p>1.2 OpportunityOREGON: EnvisionCollege</p> <ul style="list-style-type: none"> ▪ Subtotal of \$1.2 million ▪ Partners to include: OUS; ODE; GEAR UP; OSAC; ASPIRE; Oregon College Savings Plan; OCCWD; Oregon Head Start; college and university financial aid and admissions personnel; K-12 guidance counselors; first-generation college students as ambassadors. 	<p>Help students envision and be motivated to achieve a route to college success by launching college planning, preparation, and aspiration programs, including printed guides (especially relevant for low-income and rural families who don't have internet access), a comprehensive college access website portal for Oregon students (one-stop resource), and social marketing/outreach directed toward underrepresented and first-generation Pre K-12 students and their families.</p> <p>The primary goal of this proposal is to increase college-going aspirations and expectations, and understanding of college admissions, college financing, and educational career paths for underserved populations. The campaign will include a central web access portal and social marketing techniques, emphasize parent, family, school and community engagement, be segmented to reach multiple audiences, and utilize regional-specific strategies, including multilingual approaches and dissemination through the web portal, as well as working with existing GEAR UP, ASPIRE, TRIO, and other campus-based and school-based program and organizational infrastructures. The web portal will be a means for Oregon students to access all postsecondary options in the state, which are currently housed on separate agency websites. The campaign will include a K-12 college planning guide, including multi-lingual versions, that will complement current OSAC/ECMC guides and related outreach on paying for college to get key information to students and families early enough to make a difference.</p>

	<p>The proposal also includes support of OSAC in their efforts to gain full funding of the Oregon Opportunity Grant program, and assistance in informing Oregon students and families about the OOG through outreach and advertising efforts.</p>
<p>1.3 OpportunityOREGON: ConnectCollege</p> <ul style="list-style-type: none"> ▪ Subtotal of \$450k <ul style="list-style-type: none"> » \$300k for middle/high school visitations, funding breakdown TBD. \$150k for on-campus visits; funding allocations and size TBD. » Funding would be for staff, advisors, coordinators, faculty stipends, travel, program development; and to access College Board database information to help locate and target underserved students. ▪ Partners to include: OUS; ODE/K-12 schools; Oregon Association of Student Financial Aid Administrators (OASFAA); Interinstitutional Council of Admissions and Retention Officers (ICAR); OSAC. 	<p>This proposal will (1) <u>expand middle/high school visitation and outreach programs to underserved students through a partnership/team program approach by OUS universities and community colleges, to broaden college-going opportunities for students, enhance resources directed at student preparation for college, and provide college planning information to middle and high school students and their families;</u> and (2) <u>expand capacity of organized visits to campuses by underserved middle and high school students and parents with special programming directed at increasing college aspirations, awareness, acculturation, preparation, culturally appropriate presentations, and college-going rates.</u></p> <p>For middle and high school visitations by colleges, this initiative will include helping students see college as a possibility as early as middle school through positive experiences that familiarize students and their families with college and help imprint the people and environment in college as safe, approachable and doable in all respects. Programs, workshops and other offerings would include financial aid counseling and support, understanding of and comfort with the college going experience, and college admissions outreach occurring at middle and high schools or in community settings, and conducted by universities and community colleges through a team approach. Could include expanding capacity and extending reach in a current outreach program. Where possible, programs will include partnering with and support of complementary efforts such as College Goal Oregon and College Night Oregon. Ensure that presentations meet the needs of local community.</p> <p>For on-campus visitations, these will include day and overnight stays depending on type of program for underserved students; and will include creative programming, such as inviting students and parents/guardians to campus cultural, academic or athletic events that can be coupled with college access events and informational outreach. Goals of campus visitations include students gaining comfort with the college environment, learning about academic offerings, support services, and other campus offerings, increasing aspirations, understanding how to pay for college including financial aid awareness, all done in a culturally competent manner. Visitations will be done in partnership with OUS, and with middle and high schools and community-based organizations throughout the state. Could include expanding capacity and extending reach in a current program, or development of a new program which replicates existing successful model.</p>
<p>1.4 OpportunityOREGON: AlignCollege</p>	<p>Part 1: This proposal will build the technology necessary to support the work of aligning Oregon’s PreK-20 educational sectors (PreK-12, community colleges and OUS) to assist students in transitioning</p>

<ul style="list-style-type: none"> ▪ Subtotal of \$1.6 million (of which \$100k would be allocated to support faculty stipends – see part 2) 	<p>seamlessly and successfully, providing accurate and timely communications of academic planning information, and exchange of student information.</p> <p>Programming would include 1) completion of the Integrated Data Transfer System (IDTS), begun in 2005, a statewide infrastructure for the electronic submission of high school transcripts from K-12 to higher ed; 2) support Phase III of the ATLAS internet interface, allowing students and advisors to efficiently evaluate course credits and degree requirements online, facilitating transfer between community colleges and universities; and (3) completion of the cross-sector data warehouse. The IDTS funding would to provide universal access of the system to all Oregon high schools, improve formats to simplify the transfer and import of data, expand connection of the transcript submission to college admission course approvals, and support high school counselor and administrative training in the use of the system. The ATLAS Phase III would include enhancements to allow OUS to partner with community colleges, who plan to implement ATLAS in 2009—2011, to ensure effective and efficient statewide expansion, and would fund training on the system regionally for advisors from all OUS and community college campuses.</p> <p>Part 2: This proposal would also support college faculty participation as advisory role in statewide work on assessment of K-12 students, related to new high school diploma and essential skills standards to ensure that these reflect expectations for college work.</p>
<p>Component #2:</p> <p>OpportunityOREGON: GraduateCollege</p> <p>Total funding: \$3.8 million from state</p>	<p>This proposal contains 2 targeted initiatives (2.1 to 2.2 below) to positively impact Oregon student success in completion of degrees in postsecondary education, primarily through targeted <u>retention programs</u> for most at-risk students to ensure that they are able to persist and thrive at OUS campuses to graduation. It also includes <u>support of pathways programs</u> which increase bachelor’s degree completion through facilitating student transfer from community colleges into 4-year programs related to local and statewide community and workforce needs.</p>
<p>2.1 OpportunityOREGON: SupportCollege</p> <ul style="list-style-type: none"> ▪ Subtotal funding: \$3.3 million. OUS campus allocations would be based on numbers served and type of programming, but may include a range from \$50k to \$350k per grant; and would include funding for grant review and dissemination, and program evaluation outlays. ▪ Campuses will receive funding through the Chancellor’s Office or designee through an allocation process that 	<p>Increase capacity, and create culturally-inclusive programming and targeted approaches in campus academic and student support programs, with the goal of increasing retention for students most at-risk of leaving college before graduation, including first-generation, rural students, students of color, parenting students, students with disabilities, and other underserved populations.</p> <p>Programming will include targeted academic and student services support such as tutoring and mentoring, curriculum coordination, living and learning communities, development of academic plans, study and research skills, campus-savvy skills such as communicating with professors, self-advocacy, support of academic department roles with these students, including faculty training, and one-on-one support and counseling.</p> <p>Examples of program components for helping to retain, develop and</p>

<p>would ensure alignment with goals and outcomes. Will include an evaluation component to further determine best practices and success strategies in programs.</p> <ul style="list-style-type: none"> ▪ A small amount of this funding will also be allocated for in-service training and convening on best practices that will directly benefit students and programs. 	<p>graduate students from underserved communities could include increasing the academic performance of students during their first year of college, and in academic core areas throughout college, especially “barrier courses”; support psychological and spiritual well-being; enable successful transition into college for first-generation, diverse, and other students; enhance goal and career directedness; identify and respond to lifestyle or physical and other challenges; and build knowledge and skills relative to financial management and college costs; support students in meeting the demands of college and bridge the gap between academic preparation and skills needed to succeed; build leadership and problem-solving skills; and help students reach their full potential so they can reach graduation. Funding could support convening campus administrators and faculty from multiple institutions to share strategies and best practices related to the areas above.</p> <p>These specialized support programs must also engender an infused culturally-inclusive learning environment, e.g., in classrooms and residence halls.</p>
<p>2.2 OpportunityOREGON: PathwaysCollege</p> <ul style="list-style-type: none"> ▪ Subtotal funding: \$500k; includes funding for faculty stipends, advising staff, administration and infrastructure costs. 	<p>Support pathways programs that increase the number of skilled bachelor’s degree holders through:</p> <p>(1) development of applied bachelor’s degree programs in high growth, high demand areas, particularly rural areas and areas in economic downturn. This would be accomplished through development or enhancement of “pathways” programs which support transfer of community college students to OUS institutions to complete 4-year degree programs. Such programs could include allied healthcare fields, technology, engineering, and other local and regional high demand fields that enable graduates to work in underserved communities within Oregon.</p> <p>These programs would provide a clear completion path for those students who start their postsecondary education in a technical program at a community college through articulation and coordination of a BS technical degree in high demand fields in Oregon communities in need of economic stimulation and workforce development and enrichment; and who would also benefit from retention of local students staying in the area to work and support the community and regional economic development.</p> <p>AND,</p> <p>(2) Support pathways for more first-generation and heritage language speakers through support of the Oregon Language Roadmap program, which produces culturally and linguistically competent citizens to meet state and community needs.</p> <p>This effort would accelerate bachelor’s degree programs for second language speakers who are first-generation students, and who will be able to contribute through their degree attainment and their second language skills in areas in high need of bilingual practitioners, such as education, social services, and healthcare fields (no funding allocation for this component is needed).</p>

Performance Indicators for Measuring Attainment Progress

Since the focus of this Policy Option Package is to increase participation and successful completion *for underserved populations, in particular*, the performance metrics address that directly. OUS has existing performance measures for first-time freshmen and transfer student enrollment, participation rate, retention, and graduation rate -- all for the student population as a whole. While the targets for these measures would be set to show improvement, the metrics for this policy package should focus on underserved populations, but in any narrative analysis should be considered in relation to (or in addition to) these measures for all students.

OUS proposes to use performance measures of participation and completion rates for select student populations. These will include: (1) students from rural high schools, (2) students of color, and (3) students from high schools with a high proportion of free and reduced lunch program participation (an indicator of financial need).

All funded programs for pre-college preparation and in-college retention will also require specific outcome indicators of program success, relevant to program content and goals.

2. Background: *Taking Back Oregon's Future: Compelling Ourselves from Education Crisis to Turnaround*

Doing the Math: Getting More Students In and Through College

Oregon is facing an educational attainment crisis. It can be summarized through a straightforward equation:

As economic prosperity is predicated on higher levels of educational attainment in a greater proportion of the state population who fulfill the workforce needs of diverse industries and businesses,

And given the largest growth in Oregon's youth population is among the lowest income and most underserved populations with the lowest levels of high school completion and college-going rates...and Oregon's older adults (age 45-54), set to retire in the coming years, are currently more educated than our younger adults (25 to 34)²...and Oregon is predicted to have the 4th largest percentage of elderly in the United States by 2025³, **then,**

“Oregon’s performance in educating its young population could limit the state’s access to a competitive workforce and weaken its economy over time.”

From: *Measuring UP 2006*, Oregon Report Card, The National Center for Public Policy and Higher Education

This equals an increasing Oregon population of lower educated, lower skilled workers, unable to support the diverse needs of business and industry in the state, and the growing needs of an increasing population of older Oregonian — in other words, we don't have “replacement parts” for our current skilled workforce.

Supporting this equation further are the following facts:

- Oregon-based companies are faced with having to import skilled labor from other states and countries or, relocate to other states, and out-of-state companies are choosing not to locate in Oregon due to lack of numbers and diversity of a skilled and highly educated work force;
- Oregon's traditional natural resources industries, such as timber and fishing, have diminished in size and scope — reducing the numbers of Oregonians employed and their positive economic impact on rural and urban areas in Oregon;
- A declining economy in Oregon will be unable to support a growing percentage of the population with greater social service needs — as high users of state social programs — with a lower population of contributors to state General Fund resources; and
- A state that cannot sustain attract or retain business and industry, cannot sustain its own population, and cannot support quality PK-20 education systems and programs in its state is not economically viable. Like a dying lake, without the “nutrients” and combination of optimal factors to thrive, Oregon will lose its ability to sustain its

² American Community Survey; National Center for Higher Education Management Systems (NCHEMS).

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

human and natural resources that have made it successful in the past without a deliberate intervention.

An equation works so well to describe a situation in which a state does not adequately support the educational attainment of its citizens because it is a straight line cause and effect scenario. Similarly, this type of cause and effect situation can be remedied by applying the opposite and positive inputs that can turn this negative equation into a positive one.

Simply put, in order to **keep up with the needs of Oregon's knowledge economy and the borderless, global economy in which we compete, the state must increase educational attainment rates for populations that we have not reached before, or have not reached with the effectiveness and focused determination required.** Beyond these reasons, there is also the looming issue of inequity in the types of students who are prepared for, enroll in, and succeed at our colleges and universities.

Determining Oregon's Future through an Educated Citizenry

A recent report⁴ by the Brookings Institution and sponsored by the Pew Charitable Trusts predicts that, nationally, the **ever widening gaps in higher education between low- and upper-income citizens, and between whites and "minorities"** will lead to even fewer opportunities for the poorest individuals. In other words, economic mobility will be even lower in the future than it is now. Thus it is **imperative for Oregon to intentionally direct specific resources to improve opportunity for postsecondary education for much greater numbers of underserved students across the state.** In 2005, the average full-time year-round worker in the United States with a four-year college degree earned \$50,900, 62% more than the \$31,500 earned by the average full-time year-round worker with only a high school diploma. Average lifetime earnings for individuals with associate degrees are almost 29% higher than average lifetime earnings for high school graduates⁵.

Finding and Filling the Gaps in Educational Attainment

Income does matter when it comes to both enrollment in college and completion to a degree. In a survey of Oregon high school graduates, the most commonly cited reasons for not attending college in Oregon are money-related issues, cited by 34%. An inability to afford college, reported by over 21%, is the most frequently-cited reason in this category.⁶ Students attending schools with the highest poverty levels are attending college at declining rates, and were less likely to attend college in 2002 than in 1999⁷. In 1998 only 20 (9%) of Oregon high schools had Free or Reduced Lunch Program participation levels at 50% or higher. In 2002 there were 34 (15%) high schools at the 50% or greater level. Although Oregon has made gains with increases in the Oregon Opportunity Grant in the last two biennia, affordability is still a barrier for low- and moderate-income families in attending postsecondary education. In 1992, the percent of income (average of all income levels) needed to cover college expenses, minus financial aid, was 25% at Oregon's public 4-year universities; by 2006, this had increased to an average of 36% of family income needed to cover college costs.⁸

⁴ Source: "Getting Ahead or Losing Ground: Mobility in America." Brookings Institution 2008

⁵ Source: *Education Pays 2007: The Benefits for Individuals and Society*, College Board (Baum and Ma)

⁶ Source: Where Have Oregon's Graduates Gone, Class of 2005, OUS

⁷ Sources: Oregon Department of Education and Oregon Student Assistance Commission; OUS: Entering Freshman Profiles 1998-2001

⁸ Source: *Measuring UP 2006*, Oregon Report Card, The National Center for Public Policy and Higher Education

It could not be more clear: Oregon is leaving behind many of its students who have the ability to succeed in college and contribute to their communities and to the state. Whether for equity or economy, we must do better.

In fall 2007, the OUS saw a decline for the first time in more than a decade in the number of

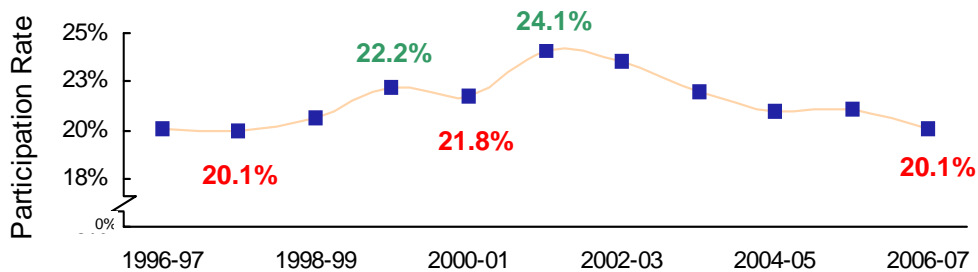
A CLOSER LOOK AT FAMILY ABILITY TO PAY IN OREGON	Average family income	Community colleges		Public 4-year colleges/universities		Private 4-year colleges/universities	
		Net college cost*	Percent of income needed to pay net college cost	Net college cost*	Percent of income needed to pay net college cost	Net college cost*	Percent of income needed to pay net college cost
Income groups used to calculate 2006 family ability to pay							
20% of the population with the lowest income	\$11,720	\$8,361	71%	\$9,774	83%	\$22,991	196%
20% of the population with lower-middle income	\$27,000	\$8,972	33%	\$10,685	40%	\$22,799	84%
20% of the population with middle income	\$44,000	\$9,496	22%	\$11,731	27%	\$22,448	51%
20% of the population with upper-middle income	\$68,924	\$9,649	14%	\$11,950	17%	\$22,428	33%
20% of the population with the highest income	\$112,600	\$9,679	9%	\$12,019	11%	\$22,923	20%
40% of the population with the lowest income	\$19,360	\$8,667	45%	\$10,230	53%	\$22,895	118%

*Net college cost equals tuition, room, and board, minus financial aid.

Graph and Source: *Measuring Up 2006*; State of Oregon report; The National Center for Public Policy and Higher Education

Oregon high school graduates entering one of the state’s seven public universities.⁹ The OUS Interinstitutional Committee on Admissions and Recruitment (ICAR) noted in a 2007 report, “[we] can expect that the OUS freshman participation rate will decline without additional outreach and support for students in the college search process.”

Freshmen Participation Rates of Oregon High School Graduates in OUS



Barriers for Rural Students and Students of Color

Often it is suggested that **there are two Oregons**: the rural areas and the valley/urban areas of the state. This holds true as well for educational attainment in Oregon. **In 2005, only 16% of Oregonians in rural counties had a bachelor’s degree or greater, compared to over 30% of Oregonians in metropolitan or near-metropolitan areas (state overall is 27%).** The situation in Oregon’s rural areas has gained national attention, as well as the attention of Senator Gordon Smith, who has included a bill – The College and University Rural

⁹ Source: Fall 2007 OUS Enrollment Report

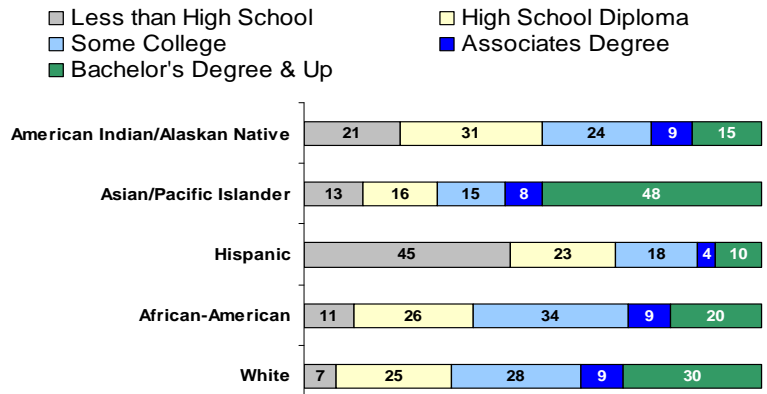
Education Act – in the House’s version for the reauthorization of the Higher Education Act. If approved, this funding would align postsecondary training with careers that are “relevant to the regional economy, and that target a specific job market need.”

Bruce Weber, professor of Rural Studies at Oregon State University, noted to the Board of Higher Education Committee on Preparation and Completion that rural student preparation is affected by attending small schools in low-population density areas isolated from large population centers. Per capita income in Oregon’s rural areas is lower than the urban and valley regions of the state, with that gap widening significantly from the mid- to late 1970s to 1990s, with slight narrowing in recent years. As a corollary to this, unemployment tends to be higher in rural areas as well with fewer opportunities for students with a college degree to return to once they finish college.¹⁰ Rick Dalton, CEO of College for Every Student, recently said in an article in the *Albany Times Union*, **“Rural families often feel threatened when their children want to go off to college – because when they go, they may be leaving for good. Families don’t pass the dream along to their children. And the children don’t pick it up on their own.”**

Weber also noted that rural student participation in postsecondary education is likely conditioned by low family income, perceived opportunities (or lack thereof), and perceived support at universities, such as whether rural students will feel they belong in a campus environment with which they have no familiarity.

Disparities in Oregon educational attainment by race/ethnicity

Disparities exist as well among Oregonians from different racial and ethnic backgrounds. Looking at educational attainment rates by race (see chart), the disparities make it very clear that Oregon needs to do a better job at providing equal opportunities to all students to have a chance to attend and complete postsecondary education. Most critical to address is the growing Hispanic/Latino population in Oregon, which has the lowest freshman participation rates among ethnic groups, and the African American and American Indian students who graduate from college in much lower numbers than their Asian and White counterparts. Ironically, these most at-risk populations are also the very ones whose high school age populations will be increasing in the next decade and beyond.

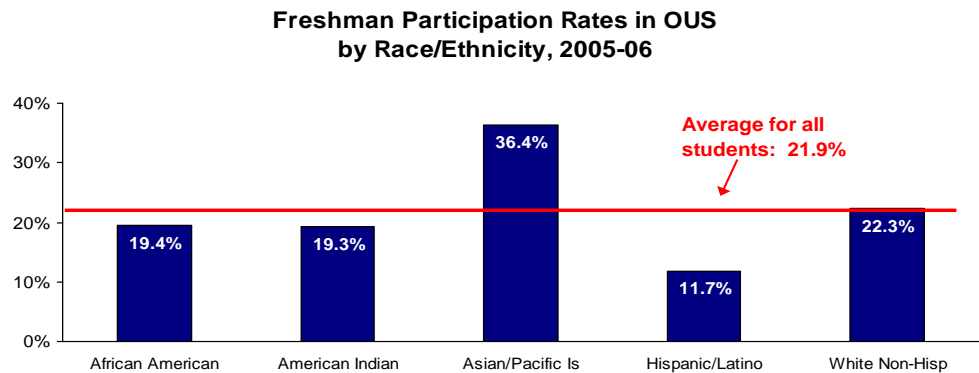


Sources: *Adding It Up: State Challenges for Increasing College Access & Success*, report, National Ctr. for Higher Ed Mgmt. Systems and Jobs for the Future, Fall 2007; NCHEMS, calculated using data from U.S. Census.

¹⁰ Source: Bureau of Economic Analysis, Regional Economic Information System; Economic Research Service, USDA, 2004 County Typology, courtesy of Bruce Weber, Oregon State University.

A study released in 2008 by the Western Interstate Commission for Higher Education¹¹ states that by 2014-15, Hispanic/Latino graduates will have increased 137% over a ten year period (2004-05 to 2014-15), while White graduates will have decreased 20%. The Hispanic/Latino student population currently has significantly lower high school graduation rates compared to other student populations. This study predicts that Asian/Pacific Islanders will see major increases in this time period of about 60% growth, with African American graduates increasing modestly at almost 13%, and American Indians/Alaska Natives increasing almost 28%.

A recent Oregon Business Council Report noted, “Ensuring an adequate education for the state’s new immigrant population – whether adults or children, whether from other states or countries – will be a key to Oregon’s future economic prosperity.”¹² These



NOTE: The participation rates reported here do not include in the denominator home schooled completers or private high school graduates, and thus, the overall rate is higher than normally reported for OUS as a whole (which includes home school and private school completers).

Sources: (1) Oregon Department of Education, 2005-06 High School Completers. (2) OUS Institutional Research Services, Enrollment of First-Time Freshmen by Institution, Ethnicity, and Oregon Residence Code, Fall 2006 Fourth Week, table 2a.

demographic trends present **a real crisis for Oregon in meeting current and future workforce demands.** With nearly 80% of high wage jobs requiring a bachelor’s degree or higher by 2014¹³, Oregon cannot meet these needs given the current trajectory unless we begin immediately to address this situation through significant funding. In the state’s most populous county, Multnomah, a new report released in March 2008¹⁴ states that the County is expected to lose fully half of its work force to retirement in the next dozen years. County Chairman Ted Wheeler recently noted at a public event about this report that, “The hard reality is...**we’re losing two employees for every one that we can bring in.**”

Higher Education = High Returns for Oregon

Two studies show how quickly an increase in **educational attainment can positively impact state revenues and lower state expenditures.** One thousand women without a high school diploma will cost the state in social services an average of \$1,750 per year *each* (males are at a similar level)¹⁵ for a total of \$1.75 million annually. Those same 1,000 Oregonians with a bachelor’s degree would contribute a total of \$62 million in state and local taxes paid over their working lifetime¹⁶. A 2007 study notes that, “...by focusing resources

¹¹ Source: “Knocking at the College Door: Projections of High School Graduates by State and Race/Ethnicity, 1992-2022”; Western Interstate Commission for Higher Education, March 2008

¹² Source: Oregon Education Roundtable, “Raising the Bar for PreK-20 Education in Oregon: 6 White Papers,” page 2-8.

¹³ Source: Oregon Employment Department.

¹⁴ Source: “Everyone Matters: A Practical Guide to Building a Community for All Ages.” Multnomah County Task Force on Vital Aging, March 2008

¹⁵ Source: Education Pays 2004: The Benefits for Individuals and Society, The College Board (Baum and Payea)

¹⁶ Source: U.S. Census Bureau, Oregon Profile, 2000.

on students who are receiving inadequate education, it is possible to obtain benefits far in excess of the costs of those investments...with a net economic benefit to the public purse of \$127,000” per each new high school graduate, or 2.5 times the cost of educating the student¹⁷.

Many have heard the mantra, “educate or incarcerate.” According to the Oregon Department of Corrections, almost 75% of Oregon inmates dropped out of the educational system prior to completing high school. For the annual cost of incarceration of one inmate—in 2005, more than \$24,665¹⁸—the state of Oregon could cover the full annual tuition and fees of about four students at an OUS institution, or about eight students at Portland Community College. **In Oregon, for every \$1.00 the state spends on postsecondary education, it spends \$1.06 for incarceration, the third highest ratio in the country**¹⁹. In comparison, the state of Washington spends 55 cents on incarceration for every \$1.00 spent on higher education. In fact, Oregon ranked first in the U.S. in 2007, at 10.9%, in the percent of total state General Fund expenditures for corrections (Pew report, footnote #16).

Education Pays Oregon

- Overall, every dollar spent on equalizing college entrance rates across racial/ethnic groups would yield \$2 - \$3 in public savings. If increased earnings are added in, the total per dollar benefit is in the \$4 - \$5 range. (RAND, 1999)
- The average college graduate working full-time year-round paid over 134% more in federal income taxes and about 80% more in total federal, state, and local taxes than the average high school graduate.

Sources: *Education Pays 2004: The Benefits for Individuals and Society*, The College Board (Baum and Payea); estimates from Rand study; and *Education Pays 2007: The Benefits for Individuals and Society*, College Board (Baum and Ma)

Educational Attainment and the Economy: the Inextricable Link

The level of a state’s educational attainment and its economic development are interrelated and connected in many ways. A highly educated workforce is cited frequently by business and industry as a key factor in where they locate and how they are able to grow their business. The Oregon Business Council noted in its Education Roundtable report, “Education is critically important to Oregon’s long-term economic success because it

determines how successful Oregon businesses can be. The availability of skilled workers is increasing and is becoming the most critical element in economic

Oregonians with Lower Education Levels Use More Social Services

Program	% with a High School Diploma or Less
Oregon Health Plan participants	62%
Institutionalized in correctional or mental health facilities	71%
Unemployment insurance claimants	71%
Welfare recipients	63%
Medically uninsured	53%

Source: Impresa estimates from 2000 Census and 2002 Oregon Population Survey. Data are for adults between ages 18 and 64. From the Oregon Business Council Education Roundtable White Paper Reports, commissioned in 2005

¹⁷ Source: “The Costs and Benefits of an Excellent Education for all of America’s Children.” January 2007. Levin, Belfield, Muennig, and Rouse

¹⁸ Source: U.S. Department of Justice

¹⁹Source: “One in 100: Behind Bars in America 2008.” Pew Center for the States, February 2008

success.”²⁰ **Investing in the education of Oregon’s “human capital” spurs economic development** through enhancing business activity and growth throughout the state.

A report from The Institute for Higher Education Policy (IHEP) outlined five **clear economic benefits from investing in postsecondary education and increasing a state’s level of educational attainment**. These are: increased tax revenues, greater productivity, increased consumption, increased workforce flexibility, and decreased reliance on government assistance.²¹

These same benefits are cited again and again by numerous academic and policy institutes, business organizations, government agencies, nonprofit organizations and other reputable organizations who have studied the multiplier effects of increasing educational attainment in a state, region, or country.

“Internationally, Oregon not only ranks very low in the proportion of certificates and degrees produced, but is comparable to such low-performing nations as Hungary and the Slovak Republic.”

From: *Measuring UP 2006*, Oregon Report Card, The National Center for Public Policy and Higher Education

Internationally, there are also numerous examples of countries — such as Taiwan, France, Ireland, China and Canada — that have made determined, long-term investments to raise the educational attainment of their citizens in order to increase economic prosperity, industrial diversity, and lower unemployment rates while improving community and family situations. Compared with the U.S., these countries have a larger population of highly educated younger adults — available today and in the future to provide the skills and knowledge capital to support workforce development — than their older adult population, who will be retiring in the next 10-20 years or so. In Oregon and in the U.S., **our most educated workers will be leaving the workforce**, without our having cultivated “replacement parts” in our younger adults in the numbers that we need to support economic growth or even stability. The Oregon Business Council stated in a recent report, “Plenty of places around the world have a ready supply of hard working, English speaking workers with at least a basic level of skills and education. What once was sufficient to give U.S. workers an edge is now commonplace throughout the world.”²²

True Access = Persistence to a Degree

Getting students better prepared to succeed in college through a variety of academic enrichment and other pre-college programs is the first step in the college success trajectory for students. Step two is getting students to enroll and begin at a postsecondary institution. And the very important third step is ensuring that students are able to persist in their studies and stay in college until degree attainment. For first-generation and underserved students, the first year in college can be a difficult adjustment on several fronts, from academic preparation to cultural adjustment issues to financial difficulties and other reasons. As shown on the chart, it is clear that average retention rates vary by race/ethnicity. This reflects not only the level of academic preparation but also campus climate issues faced by these students, and the need for targeted support services and outreach programs that ensure a welcoming, supportive academic, social, and community environment.

²⁰ Source: Oregon Education Roundtable, “Raising the Bar for PreK-20 Education in Oregon: 6 White Papers,” pages 2-5 and 2-6.

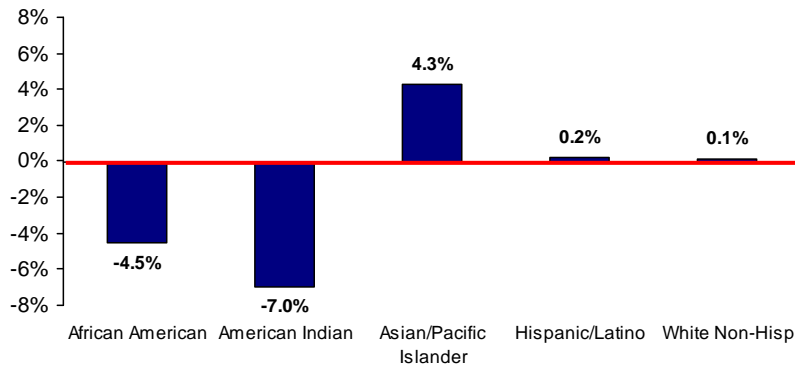
²¹ Source: Williams, Adriane, and Swail (2005). “Is More Better? The Impact of Postsecondary Education on the Economic and Social Well-Being of American Society.” Washington, DC: Educational Policy Institute, Inc.

²² Source: Oregon Education Roundtable, “Raising the Bar for PreK-20 Education in Oregon: 6 White Papers,” pages 2-3.

The research is clear: **if we can keep a student in college through their first year, their chance of getting a degree rises dramatically.** If we can keep them in two years, there is an even greater chance for degree attainment.

Within OUS, the research shows that students who complete their first year at a university, on average, have a 71.4% chance of getting a degree; this rises to 81.5% for those who persisted at least two years. These percentages compare to 59.7% for students overall²³. In other words, if we can retain first-generation and underserved students once they are enrolled through specific, targeted programs that address the most common reasons they drop out of school, then

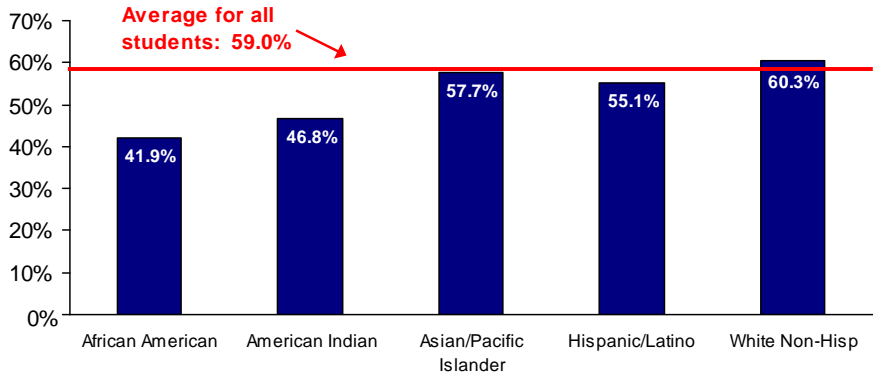
First-Year Retention in OUS by Race/Ethnicity Compared to the OUS Average, 2005-06



we can dramatically increase the graduation rate of our Oregon students. This makes sense from a fiscally responsible standpoint, in terms of gaining a return on the state’s investment in these students, and in gaining greater equity for students who are much more likely to drop.

While the entering freshman six-year graduation rate has risen from the 1987 cohort of students to the 2001 cohort — from 48.8% to 59.7% — it has remained relatively stagnant in recent years, and is **showing some disturbing trends for Oregon freshmen.**

6-Year Graduation Rates in OUS by Race/Ethnicity, 2005-06



For the first time since 1992 — when Oregon was feeling the impact of

Measure 5 — the graduation rate of Oregon residents has declined, from 60.5% to 59.2%. Resident students make up 75% to 80% of the entering freshman cohort. In 2007, the resident graduation rate declined at all OUS campuses except Oregon Institute of Technology and the University of Oregon.

While a possible explanation of this decline is the economic downturn that began in 2001 when these students started college, it remains cause for concern. Turning this negative trend

²³ Source: OUS Institutional Research, 2001-02 First-Time Freshman Cohort; includes students transferring within OUS after initial enrollment

around must be a focus of efforts to improve the ability of our institutions and of our state to get more students into college and keep them there through graduation. **Without such a renewed effort, and one that truly increases the capacity of our institutions to effectively address retention, this downward trend will certainly continue.** Such a decline will impact Oregon's ability to train a skilled, highly educated workforce, to retain and attract businesses and industry in all parts of the state, and to ensure a strong, supportive, and innovative state economy that is nimble enough to survive and thrive through all types of economic cycles.

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