

Memo

To: Board of Education

From: Jon Carnahan 

Subject: Summer Update

Date: July 22, 2009

I can't get used to this no summer Board meetings but I kind of like it. That being said, I want to update you on several important issues that we are continuing to work on throughout the summer.

The first is our construction projects and progress. If you haven't been by the new campus lately, be sure to visit the site. Roof, brick veneer, window frames, stairs and open beam entry are really looking nice. We are currently testing exterior colors if you see some paint sampling. I held a meeting with the County Fair Board and our contractors to make sure we were all in sync in preparation for a busy week. We will have workers in the building, however, the exterior will be fenced and will make as much parking available as possible to the fair. We have also arranged for twenty-four hour security during the fair through Sunday evening. Things should go smoothly. We will also place the "Future Site" sign with our name nearer the building so visitors will know it is our campus. The project at Tillamook High School is going very well and should be completed by the time school starts in September. I am working with Randy Schild on the exterior painting and signage as "joint use" facility with our name on it as well. It is going to be a great space.

On another note relating to the Career and Technical building, we have hired a new Career, Technical and Workforce Education Director on a contract with the Northwest Regional Educational Service District. His name is Pete Craemer and his office will be on campus and at our new joint use building at the high school. Pete will be working with the School Districts, College and ESD promoting Vocational Education at the high schools, and College and Workforce Education in the community. Attached is Pete's Vita for your information. I think he will be a great asset to us.

Also attached is a document from the Oregon Community College Association highlighting the 2009 Legislative Session. The Legislature funded the Community College Support Fund at \$450.5 Million which is 10% less than the 07-09 funding level. Part of the funding formula is based on enrollment growth and TBCC grew less than the community college average so we will receive proportionally less funding based on enrollment as well. The community college essential budget

level has been an issue for some time. It is intended to represent the funding needed to maintain the same level of service in the future biennium. Community colleges are the only education sector where actual costs and revenues are not considered in the calculation. At the end of the session, the Ways and Means Committee adopted a budget note recognizing the problem and the Department of Administration Services is directed to work with Legislative Fiscal and Community College Forecast Committee to report back to the Joint Committee of Ways and Means and to the Energy Board no later than February 1, 2010.

Finally, you may have read recently that President Obama indicated the community colleges are at the center of revitalizing the U.S. economy. Attached is a news release from OCCA outlining his initiative and an article that was recently in the Oregonian that may give some insight into the President's proposal.

Just because we didn't have summer board meetings doesn't mean that you can't stop by for a visit. Prices are good for a personal guided tour of our new building! I hope to see you at the County Fair if not before and I hope you will be proud of your new building as visitors come to the Fair and park in our front yard.

Tillamook Bay Community College
USE OF BOND PROCEEDS
“MEETING OUR COMMUNITY COMMITMENTS”
July 2009

On May 15, 2007 the citizens of Tillamook County passed a General Obligation Bond measure to “build College facilities, enroll more students and expand College programs.” The summary of this caption also included “technology equipped facilities in North and South Tillamook County for college credit programs through distance education.”

The College is currently in the construction phase of a new main campus and remodeling the Career and Technical Center at Tillamook High School for a joint use facility to offer workforce education and training. In addition, the College and the School Districts; Neah-Kah-Nie in North County and Nestucca in South County; have signed Memorandums of Understanding to construct Education Centers on district property at each location. The College has **reserved** \$480,000 for the construction and equipment at each location for a total of \$960,000.

As we have watched the National and State economic conditions and the State Legislature struggle with its biennial appropriation for all State agencies which include community colleges, Tillamook Bay Community College was severely impacted. In order to meet our budget limitation, all employees were furloughed for twelve days this year; four employees were retrenched and budgets reduced. All of this at the same time we are going through an independent accreditation process, building a new campus, beginning new programs and growing. It is important to note that the Oregon Constitution limits the use of general obligation bond proceeds as outlined in the Oregon Constitution and Oregon Revised Statutes. The Constitution provides that General Obligation Bond proceeds can only be used for “Capital Constructions and improvements,” not operating expenses.

The College is committed to providing improved services to North and South County and as mentioned earlier, has reserved \$980,000 for capital construction and improvements relating to education and technology. These improved services will also require operating expenses such as staffing, utilities, instructional programs and curricular enhancements. Given the current economic conditions and reduced State budget, the College must consider the timing of these projects. The Board of Education of Tillamook Bay Community College had a work session in June 2009. No decisions were made however the consensus was that they would address the timing and scope of enhanced service opportunities in North and South County in September. I shared my thoughts about waiting to make a final decision until mid-biennium and the outcome of future revenue forecasts. If the economy begins to improve and community

colleges don't see further reductions in the second year of this biennium (2009-2010) and can anticipate increased appropriations for operating expenses in the next biennium (2011-13) then plans could begin moving forward with completion dates mid to late 2011. However, until resources are available to operate new facilities and technology, it is not in the best interest of the College or community to move forward with these projects at this time. The funds will be reserved and arbitrage principles will be applied to the investment of the reserved proceeds of the bonds.

Jon Carnahan
President

VITA

PETER J. CRAEMER Tillamook Bay Community College

PROFESSIONAL GOAL To advance Professional Technical Education opportunities for all students in Tillamook County.

PROFESSIONAL EXPERIENCE

Principal/Director CAPITAL Center High School Technology Institute, 2001-2009.

Northwest Regional Education Service District, Hillsboro, OR.

- Provided leadership to reach AYES/NATEF national certification for the Auto Tech Program.
- Expanded Professional Technical offerings to include 11 programs for 13 high schools.
- Aligned PTE programs with Oregon academic standards resulting in academic credit for students.
- Developed a dual enrollment credit program aligned with Portland Community College and the Oregon University System.
- Initiated a full time option program with PCC which allowed students to attend both CAPITAL Center and college classes.
- Developed a unique fundraising program entitled "Sponsor a Kid!"
- Expanded business and industry support of programs to include: Intel, Metro Portland New Car Dealers Association, Synopsis, Les Schwab, Portland State University.
- Provided leadership in four county region in professional technical education program development, Perkins grant planning and writing and staff development. Implemented Regional Health Occupations and HTR programs.
- Selected by the Oregon Department of Education to serve on a statewide Information Technology Advisory Committee. Committee membership included school districts, ESD's, Oregon University System, IBM, Nike, Intel and Tektronics.

Acting Superintendent, 2000-2001.

St. Helens School District, St. Helens, OR.

- Appointed by School Board to serve as Acting Superintendent, November 2000. Provided leadership as chief budget officer, supervision and evaluation of all principals and district office staff, developed all Board regular and executive session agendas and related material, lead administrator in collaborative bargaining negotiations, provided leadership in all operations of the school district.
- Provided leadership to all staff in District regarding personnel issues including staff recruitment, administration of tuition reimbursement program, parent/staff mediation.
- Developed and implemented an administrative evaluation system focusing on student achievement and building site needs.
- Developed community partnerships with Commission on Children and Families, St. Helens Police Department, Columbia County Mental Health serving on the Board of Directors.
- Provided leadership to the District in the development of a multi-year Technology plan.

Director of Instruction, 1997-2000.

Crook Deschutes Education Service District, (Now High Desert ESD) Redmond, OR.

- Served on management team as a Director solving contract grievances, personnel issues and board policy development. Contributing member of the Regional Workforce Investment Board. Provided staff development to ESD and school district staff in innovated curriculum programs.
- Serve as representative to community organizations including, Regional Workforce Investment Board.
- Formed and directed a Central Oregon Education Partnership of school districts and community college staff which formulated and successfully implemented a 2+2 Tech Prep Program for 13 high schools. Wrote and manage all Carl Perkins Title 1, Title 2 Tech Prep, School to Work and Service Learning grants in the region totaling over one million dollars.
- Served on a State wide instructional leadership team in Information Technology resulting in the establishing of 10 Central Oregon IT Programs and nine Cisco Academies.
- Organized and served as a member of the Central Oregon Curriculum Director Association providing leadership in CIM/CAM implementation, reform based inservice, Special Education and Youth Transition Program services.

High School Principal, North Valley High School 1993-1997.

Three Rivers Josephine County School District, Murphy, OR.

- Provided leadership to a major high school with a staff of seventy-seven.
- Restructured curriculum to improve opportunities for all students. Major changes were made in core academic areas, Advanced Placement, Talented and Gifted Education, Special and Vocational Education.
- Implemented site based management and collaborative decision making.
- Integrated CIM/CAM reform into the regular high school. With staff and community researched, planned and implemented a block schedule improving student achievement across many areas of student performance. Student performance increased in many academic areas, drop out rate lowered to 4.9%.
- Collaborated with staff and multiple community partners, successfully implementing a teen parent center with on site day care. Teen parent rates dropped significantly and their graduation rate increased three-fold.

Regional Coordinator, Career/Vocational Education, 1985-1993.

Executive Director, Southern Oregon Research Development-SORD, 1990-1993.

Southern Oregon Education Service District, Medford, OR.

- Served on management team, was a team leader on administrative and classified contract negotiations.
- Developed and provided the leadership for the Southern Oregon Professional Technical Education consortium comprised of all area school districts, Rogue Community College, Southern Oregon University, Oregon Department of Education, the Job Council (JTPA) and local business and industry to obtain several million dollars of grants to improve vocational and special education services to all students.
- In cooperation with Bureau of Labor and Industries, coordinated the education component and fiscal base for fourteen apprenticeship programs covering two hundred and forty apprentices in five southwestern Oregon counties.

Vocational Teacher, Vocational Director and Department Chairman, 1977-1985.

- Taught High School Vocational/Technical with District Federal grant responsibilities.

Community College Instructor, Umpqua Community College, Roseburg, Oregon

Apprenticeship Millwrights 1979-1983.

Manufacturing Plant Supervisor-Summer/Nights, 1977-1980.

EDUCATION

B.A. University of Wisconsin, Eau Claire, 1973.

Major: Political Science Minor: History Emphasis: Business Adm. and Law.

M.S. University of Wisconsin-Stout, 1977.

Major: Industrial Education Emphasis: Industrial Technology, Vocational and Special Education.

CERTIFICATION

Standard Superintendent	5/2013
Standard School Administrator	5/2013
Standard Technology Education	5/2011
Standard Trade/Industrial Education; Manufacturing/Mechanical	5/2011

PROFESSIONAL ACTIVITIES

Confederation of Oregon School Administrators (COSA)

- President of Oregon Association of Central Office Administrators (OACOA) 1993-94.
- Member COSA Board of Directors, member of various committees. Currently Scholarship Chair.

Phi Delta Kappa - University of Wisconsin-Stout, Vice President-Southern Oregon.

Secondary Alternative Education -1985-89.

- Fiscal and program leadership for Vocational Component of Regional Alternative Center.

Grants and Contract Experience

- Appointed by ODE to be a grant reader: Technology Literacy Challenge Grants Initiative and the Carl Perkins Technology Grants.
- Successfully developed and administered Federal and State grants for local school districts and community colleges; including services to Special Populations, student leadership, curriculum development, technical equipment purchases, JTPA 8%, Gender Equity and private foundations.

Curriculum and Instructional Leadership

- Developed and successfully implemented regional programs in Information Technology, Cisco Networking Technology Academies, Health Occupation (Hospital Based), Gender Equity Staff Development, AGC Construction Technology, Hospitality, Tourism and Recreation (H.T.R), Principles of Technology, Applied Communications, Mathematics, Biology/Chemistry.
- Provided leadership to local ELL community in developing a program to enhance academic and vocational training to the ELL population in local area high schools.
- Supervisor, mentor for Oregon State University Agriculture Science student teachers.

Vocational Student Organization Presenter, Advisor and Judge

- Vocational Industrial Clubs of America (VICA) Student Advisor, 1979-85
- Served as a judge and presenter for State of Oregon Vocational Industrial Clubs of America Skills Olympics, 1985-1993 and judged local and regional FFA student leadership contests, 1997-99.
- Served as a judge during the United States Skill Olympics in association with National VICA, Tulsa, OK, and Louisville, KY, 1990 and 1991.

Eagle Scout-1967, Boy Scouts of America.

PROFESSIONAL MEMBERSHIPS

Association for Career and Technical Education
Association for Supervision and Curriculum Development
Confederation of Oregon School Administrators-OASE
National Association of Secondary School Principals

Highlights of 2009 Legislative Session

A rapidly declining economy was the backdrop for the 2009 legislative session necessitating significant cuts across every aspect of state government. From the time of the release of the Governor's budget, state revenues for the current biennium and projections for the upcoming biennium steadily declined. Over this time, Oregon's unemployment rate grew to one of the highest in the country, behind only Michigan.

With each quarterly forecast of the state's available revenue, Oregon's budget outlook became increasingly gloomy. By the May economic forecast the state was projected to fall about \$4 billion short from what would be needed to keep services funded at the 07-09 level.

From the release of the Governor's budget December, the executive and legislative branches undertook a series of efforts to address declining state revenue and a worsening recession:

- In November Governor Kulongoski enacts across-the-board 5 percent budget cuts to the remainder of the 07-09 biennium for all agencies in an attempt to fill a forecasted \$140 million shortfall. The cut meant a loss \$5,475,780 million from the Community College Support Fund.
- In January the Legislature worked to address the rising unemployment rate as the recession worsened by passing a \$122 million deferred maintenance package intended to retain and create jobs quickly.
- By February the 07-09 budget gap had reached \$855 million. The legislature passed a series of agency budget cuts and used federal American Recovery and Restoration Act (ARRA) dollars to fill the gap. OCCA made the case that colleges should not be cut due to surging enrollment driven, in part, by the recession as the unemployed looked to colleges. The Community College Support Fund avoided this round of cuts, with legislators citing the role colleges were playing serving unemployed Oregonians.
- In May, the Co-Chairs of Ways and Means released a state budget with about \$2 billion worth of cuts and \$733 million in new revenue generated by a mix of corporate and personal income tax increases. The tax increases will likely be referred to the ballot.

COMMUNITY COLLEGE LEGISLATIVE PRIORITIES AND STRATEGY SUMMARY

In the context of a deep recession, OCCA focused much of its advocacy on the critical role colleges play in helping displaced workers get the skill they need to get back into the workforce. In advocacy around the budget especially, OCCA promoted community colleges as "economic first responders". With enrollment surging around the state, OCCA focused on promoting the growth in enrollment as evidence of the way unemployed Oregonians rely on the colleges. These themes were cited repeatedly by the co-chairs of the Education Subcommittee as they worked the community college budget vowing to hold the support fund to a minimum of \$450 million.

FUNDING

Community College Support Fund

The legislature funded the Community College Support Fund at \$450.5 million – down 10 percent in funding from the 07-09 funding level. Because of the quickly sinking economy, numbers in the Governor's budget (released in December) became quickly irrelevant. However, even in December,

the Governor's budget had contemplated a significant cut to community colleges. While the CCSF received \$500 million in 07-09 the Governor recommended \$485 to the support fund with a promise of \$15 million more in the second year of the biennium from the Education Stability Fund. As the recession grew throughout the legislative session it became clear, that not only was the \$15 million gone, but that even the Governor's \$485 million allocation was unlikely.

By the March economic forecast, the Co-Chairs of the Ways and Means Subcommittee on Education were stating \$450 million as their bottom line for funding to the CCSF. However when Co-Chairs of the full Ways and Means Committee Rep. Peter Buckley and Senator Margaret Carter released their draft budget for the state, the entire CCWD budget (including the support fund) was only allocated \$440 million. This would have left the CCSF at \$423.8 million and would have left community colleges with the distinction of having received the largest cut in education. While there appeared to be confusion between the House and Senate over whether the \$440 million had been the intended allocation for just the support fund without CCWD operations and debt service for capital projects, the number held until June just before the subcommittee began its work on the budget. After intense lobbying by OCCA, on June 17, the Education proposed a funding level for CCWD of \$464.4 million, with \$450.5 million allocated for the support fund. This was the budget that eventually passed.

Essential Budget Level

The Ways and Means subcommittee included a budget note on the CCWD budget addressing the lingering and unresolved issue of the Community College Support Fund Essential Budget Level (EBL) calculation. An Essential Budget Level is intended to represent the funding needed to keep the same level of service in the upcoming biennium as in the current biennium. Community Colleges are the only sector of education where actual costs and revenues are not considered in the calculation. For purposes of the EBL, community colleges are treated as a contractor and simply receive the Department of Administrative Services inflationary factor for services and supplies – currently 2.8 percent. Increases in property taxes are then deducted from this number. This has led to a consistently underestimated EBL for community colleges.

To address this issue, Senator Richard Devlin proposed legislation in the 2007 session that would have created a new EBL for colleges based on costs and revenues. However, the Governor's office negotiated to have the issue dealt with in a task force created through executive order rather than legislation. The Governor's task force met only twice by the beginning of the legislative. In fact, the governor based his 2009-2011 recommended budget for community colleges on the old EBL formula, which his own executive order stated "did not support effective decision making".

OCCA worked on two tracks to finally address the Essential Budget Level issue. Because it was a budget note that created the current formula, OCCA believed a budget note calling for a new formula would accomplish this. A budget note is language attached to an agency budget with direction from Ways and Means. It is not legally binding, but is treated virtually as if it is by the body and agencies.

Sen. Frank Morse concurrently sponsored legislation SB 733 again attempting legislation to deal with this issue. The bill received a hearing in a policy committee at which community college representatives testified, however Senate leadership believed the issue should be resolved in the Ways and Means process and ultimately would not allow the bill to move forward.

In the end, the full Ways and Means committee adopted the following budget note language

written by OCCA:

“The Subcommittee Recognizes that the current calculation of the ‘essential budget level’ for the Community College Support Fund is not developed to a level that captures the true costs of operating Oregon’s community colleges, and it does not provide the Legislature of the Governor with the information needed to support effective decision-making.

The Subcommittee directs the Department of Administrative Services, in consultation with the Legislative Fiscal Office, to continue work with the Community College Forecast Committee established under Executive Order No. 07-12, to develop a proposed method for calculating the Community College Support Fund essential budget level.

The Department shall submit a report and recommendations to the Joint Committee on Ways Means or to the Emergency Board, for the Committee’s or Board’s consideration, no later than February 1, 2010.”

CAPITAL CONSTRUCTION

Deferred Maintenance

Reacting to the recession, legislative leaders came together to call for quick passage of legislation to put Oregonians back to work by passing a public works program. The Senate President proposed that public works programs consist of projects that would address Oregon’s infrastructure needs and deferred maintenance of public facilities. On January 13th, Dave Hunt, House Speaker, asked the community colleges to submit a list of proposed deferred maintenance projects to be included in the public works package. The bill that emerged, SB 338, included an unprecedented appropriation for community college deferred maintenance projects. A total \$53,278,650 in state lottery bonds and article XI-G bonds was made available for deferred maintenance projects at all seventeen community college. In providing the funds for these projects, legislators made it clear that they expected projects to begin by May 1. In addition, it was made clear that the “Go Oregon” projects were to benefit Oregon workers and businesses.

By May 6th, a report was forwarded to the legislature that all community college projects were underway-a 99.5% success rate, with over 787 jobs created or retained and 94% of the jobs filled by Oregon residents with 94% of the projects using Oregon products, vendors or contractors. Oregon’s community colleges continue to receive accolades from key legislators on the outstanding response to this initiative.

Capital Construction

For the third consecutive session, Oregon’s community colleges put forward a prioritized list of capital construction projects with strong assurances from legislative leadership that a substantial commitment of state bond resources would be provided. After receiving \$38.5 million in Article XI-G bonds in the 2005-07 biennium and \$40 million in the 2007-09 biennium, community colleges expected to do at least as well in the 2009-11 budget. Expectations suffered slightly when the Governor proposed that community colleges receive funding for only three projects, totaling \$15,000,000 in state XI-G bonds.

After intense lobbying by the colleges and OCCA, the legislature passed legislation in the closing days of session to fund nine projects on the prioritized capital construction list in the amount of approved \$57,455,000 for Title XI-G bonds for Treasure Valley, Umpqua, Chemeketa, Columbia Gorge, Central Oregon, Portland (Cascade Campus), Lane, Clackamas, and Oregon Coast. A local 50% match is required for these projects. An additional \$13,710,000 in lottery revenue bonds was provided for Blue Mountain (construction), Clackamas (deferred maintenance), Central Oregon (construction), Rogue (deferred maintenance), Mt Hood (seismic), and Clatsop (seismic). No match is required for this funding.

In the end, Oregon's community colleges received approval for over \$124 million in state support for deferred maintenance and capital construction projects during the 2009-11 session.

REVENUE

This session it was hard not to focus on the quarterly revenue forecasts. Given the international recession, each quarter's forecast projected another decline in revenues for the current and 2009-11 biennium. In February, Tom Potiowski, Oregon State Economist, announced revenues for the 2007 biennium were down by \$713 million from the December forecast and that general fund revenues would be down \$1.7 billion from the original December forecast. Forecasts for the 2009-11 biennium were even worse and continued to worsen. Legislators found themselves dealing with a more than \$4 billion dollar budget shortfall for the 2009-11 biennium.

In early June, the Democratic leadership announced a plan to increase revenues by raising income taxes increases on wealthy corporations and individuals. Two bills were introduced and passed by the required 3/5 majority of the House and Senate. The bill to increase corporate taxes, HB 3405, is estimated to raise \$261 million in the 2009-11 biennium by increasing the corporate minimum tax and other corporate taxes on Oregon's businesses. The second bill, HB 2649, is designed to increase revenue over \$472 million in the 2009-11 biennium by increasing the top income tax brackets for Oregon's wealthiest individuals. OCCA remained neutral on these proposals. While the Legislature was able to muster the votes necessary to pass these two revenue bills it is possible that one or both measures may be referred to the voters by initiative petition. If the measures are referred to voters and the voters do not approve these increases the legislature may have to return to re-balance the 2009-11 budget.

FINANCIAL AID

The Governor's top priority in post secondary education received a significant cut even in the context of a budget with cuts across the board. In 2007, the legislature passed the Shared Responsibility Model (SRM) for allocating the Oregon Opportunity Grant – Oregon's source of need-based financial aid for college students. The SRM greatly increased the number of Oregonians served by the program and was intended to reach further into the middle class. The new model was phased in over the current biennium with this academic year being its first year of full implementation. The governor's budget recommended \$157,354,225 from the general fund for the program, which ultimately received a general fund appropriation of only \$88.3 million. However, it's worth noting the program received \$98.7 million in the last biennium. Full implementation of the program would have required a significant increase – well beyond a normal EBL increase. Ultimately the program took a roughly ten percent cut from the last biennium.

In the Education Subcommittee, the large waiting list of community college students was raised as a concern by several members. As the economic downturn deepened, financial aid application for community college students surged, but with inadequate funding to meet the demand, over 7,000 were turned away – 85 percent of which applied to community colleges. The committee suggested the Oregon Student Assistance Commission explore ways to make sure a shortage of funding does not fall so heavily on the 2-year sector for the next biennium.

POLICY BILLS

Over the course of the legislative session, OCCA tracked several hundred bills. While much of the Legislature's attention was focused on the worsening economic conditions, a number of significant policy bills were considered. The following provides a highlight of several major bills with an impact on community colleges. A more complete report of legislative initiatives will be provided by OCCA later this summer.

(P) = Passed (F) = Failed to Pass

Education Policy

(P) *Adverse impact process for community college career pathways (HB 3117)* – OCCA joined with Rep. Michael Dembrow in introducing a bill to allow community college career pathway programs to be implemented without having to go through the adverse impact process required for new programs. OCCA worked with representatives from the career colleges to fashion a process which allows the parties to come together to look for opportunities for collaboration within a shortened time-frame. At the conclusion of the process, the community college will have the ability to proceed with the career pathway program. Unlike past efforts to amend the adverse impact process, this bill passed the House and Senate with little opposition.

(P) *Applied Baccalaureate Degree Study (HB 3093)* – This bill directs the Joint Boards of Education (JBAC) to evaluate the value of creating an applied baccalaureate degree that could be offered by Oregon community colleges and universities. JBAC is required to report back to the appropriate interim legislative committee with recommendations by November 2010. Items JBAC must consider include the types of programs for which an applied baccalaureate would be appropriate, the resources that would be required to implement an applied baccalaureate, and whether or not community colleges should be allowed to offer applied baccalaureate degrees. OCCA worked with Rep. David Edwards to craft the provisions of this bill in a way that ensures that community colleges will play a key role in the study.

(P) *Senior Course Audits (HB 2011)* – Speaker of the House, Dave Hunt, introduced this bill to require Oregon universities and community colleges to allow senior citizens age 65 and older to audit classes tuition-free. Community college boards will establish rules for implementing the provisions of this law which passed the House and Senate by nearly unanimous votes. In order to audit a course tuition-free there must be space available in the course and the department in which the course is taught must approve. In addition, eligible courses are limited to lower division collegiate courses and program eligibility is limited to senior citizens who are registered for eight or fewer course credits per term. Community colleges are allowed to assess any fees associated with the cost of the course other than tuition. OCCA worked with Speaker Hunt to draft the bill in a way that gives maximum flexibility to

community college boards in implementing this requirement in a way that best meet the needs of their campus communities.

(P) *Study of Semesters (SB 442)* – The original version of SB 442 was focused primarily on creating a process to consider the consolidation of Oregon’s regional universities with other existing universities. Amendments to the bill changed the focus to a study by the Joint Boards of Education on the feasibility of moving some or all of Oregon universities and community colleges to a semester calendar. OCCA opposed the study and was able to get assurances entered into the legislative record that this study will be conducted without any pre-determined outcome on moving to a semester calendar.

(P) *Career Readiness Certificates (HB 2398)* – This bill directs the Department of Community Colleges and Workforce Development (CCWD) to create a Career Readiness Certificate program to certify the workplace and college readiness skills of Oregonians. Program services will be delivered through public high schools, community colleges, local and regional career centers, and education service districts. CCWD will develop rules, in consultation with the State Workforce Investment Board, the Department of Education, and the State Board of Education, and administer the program. CCWD will submit an annual report on program outcomes and recommendations for improvement. This bill also reaffirms CCWD’s role in the implementation of an integrated workforce delivery system.

Bond Elections

(P) *CC Expansion Districts (HB 3116)* – At the request of Rogue Community College and Blue Mountain Community College, OCCA introduced legislation to allow the community college expansion districts the option of holding elections on bond measures either through a separate vote of service areas (as is currently required in statute) or by one district-wide vote. The bill was amended in the Senate to give the other two districts that have annexed neighboring counties, Columbia Gorge Community College and Southwestern Oregon Community College, this same option. These are the only four community college districts that have service areas defined in statute. The bill passed both the House and Senate unanimously.

Personnel

(P) *Part-time Faculty Health Benefits (HB 2557)* – Once again legislation was introduced in the House which would have implemented ratios between full-time and part-time community college and university faculty. OCCA strongly opposed the bill as introduced and participated in a workgroup with other interested parties to formulate a compromise. OCCA worked with Rep. Michael Dembrow to develop a compromise that allows part-time faculty members who are PERS eligible through hours worked at one or more community colleges or universities to purchase health insurance offered by the Oregon Educators Benefit Board (OEBB). This benefit will be available to eligible part-time faculty in October 2010. In addition, the compromise bill includes a study and report to gather data on the use of full-time and part-time faculty at post-secondary institutions. Provisions related to full-time/ part-time faculty member ratios were removed from the bill. OCCA maintained a neutral position on the compromise bill.

(F) *Public Employee Collective Bargaining Act (HB 2831)* – HB 2831 became the primary vehicle labor advocates and legislative leadership moved through the process to make changes to the Public Employee Collective Bargaining Act (PECBA). The bill includes changes in the definition of several categories of employees including temporary employees, limited duration employees and casual

employees. In addition, it changes the presumption related to supervisory employees and prohibits public employers from replacing striking employees with permanent employees. OCCA was able to work with the bill's proponents to add an amendment clarifying that the changes made to the definitions of temporary and casual employees were not intended to apply to community college bargaining units. Both Oregon Education Association and American Federation of Teachers witnesses stated on the record that the amendment passed by the Senate committee was not intended to change the current status quo in community college contracts.

OCCA scored a major victory by fighting back against efforts to repeal the current PECBA provisions relating to expedited bargaining. An amendment to significantly alter the expedited bargaining statute was killed just prior to a committee work session after OCCA was able to raise questions about the amendment. The bill did not pass the Senate and died.

Public Contracting

(P) *Cost Benefit Analysis/ Feasibility Studies (HB 2867)* – A coalition of labor organizations brought forward HB 2867 as part of a multi-bill effort to make public contracting decisions by state and local governments more transparent. The bill requires government contracting agencies to determine if it is feasible to provide services in-house rather than contracting out the services. OCCA joined other local governments in raising concerns about the impact of this legislation. After participating in a workgroup with the bill's sponsors and other state and local government representatives, OCCA was able to advocate for a number of key changes to the bill including increasing the value of procurement contracts to which the requirement applies to \$250,000, changing the applicable contract duration from three months to six months, and adding protections from judicial action if a contract is challenged. While OCCA pushed hard for an exemption for community colleges from the bill's requirements, the exemption was opposed by labor interests. A minor exemption for colleges with fewer than 1,000 total student FTE was included in the bill. The bill passed on the final day of session.



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FOR IMMEDIATE RELEASE

July 14, 2009

Contact: John Wykoff, 503-490-0792

Obama Cites Community Colleges as Key to Recovery

Community College leaders across Oregon applauded President Barack Obama's \$12 billion proposal that would put the nation's 2-year colleges at the center of revitalizing the U.S. economy.

"In this recession, we've seen how community colleges are really economic first-responders for unemployed Oregonians," said John Turner, President of Blue Mountain Community College in Pendleton and chair of the Oregon Presidents Council, which comprises all Oregon community college presidents.

"The President's proposal recognizes that colleges are getting displaced workers the skills and training they need to get back into the workplace and are critical to the recovery," Turner said. "He's hit the nail right on the head."

Obama's new initiative includes \$2.5 billion for construction and renovation at the nation's community colleges, \$500 million to develop new online courses and \$9 billion for "challenge grants" aimed at spurring innovation and expansion in the 2-year sector.

Unveiling his plan Tuesday, Obama cited rapid growth in enrollment at colleges nationwide and projections showing that jobs requiring at least an associate degree will grow twice as fast as jobs requiring no college experience.

"They are also capable of working with businesses, industry and government to create tailored training programs to meet economic needs such as nursing, health information technology, advanced manufacturing, and green jobs, and of providing customized training at the worksite," Obama said.

In Oregon, colleges have seen first-hand the kind rapid growth the President cited. Across the state, enrollment at community colleges is up 12 percent over last year.

Obama's proposal will next go to Congress, where the Education and Labor Committee will begin working on legislation to enact the program. As a member of that committee, and a founding member and co-chair of the Congressional Community College Caucus, Oregon Congressman David Wu will be directly involved in crafting the bill. Wu has already begun engaging community college leadership in Oregon on the package.

"Community colleges are essential to our economy's short-term recovery and long-term growth. Working with the Obama administration, I will continue to help the federal government serve as a partner in that effort," Wu said.

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COMMUNITY COLLEGES

No size fits all

If you visit a four-year college, you can predict what sort of student you are going to bump into. If you visit a community college, you have no idea. You might see an immigrant kid hoping eventually to get a Ph.D., or another kid who messed up in high school and is looking for a second chance. You might meet a 35-year-old former meth addict trying to get some job training or a 50-year-old taking classes for fun.

These students may not realize it, but they're tackling some of the country's biggest problems. Over the past 35 years, college completion rates have been flat. Income growth has stagnated. America has squandered its human capital advantage. Students at these places are on self-directed missions to reverse that, one person at a time.

Community college enrollment has been increasing at more than three times the rate of four-year colleges. This year, in the middle of the recession, many schools are seeing enrollment surges of 10 percent to 15 percent. And the investment seems to pay off. According to one study, students who earn a certificate experience a 15 percent increase in earnings. Students earning an associate degree registered an 11 percent gain.

And yet funding lags. Most people in government, think tanks and the news media didn't go to community college, and they don't send their children to them. It's a blind spot in their consciousness. As a result, four-year colleges receive three times as much federal money per student as community colleges. According to a Brookings Institution report, federal spending for community colleges fell 6 percent between 2002 and 2005, while spending on four-year colleges increased.

Which is why what President Barack Obama announced this week is so important. He announced a \$12 billion plan to produce 5 million more community college grads by 2020.

If the plan were just \$12 billion for buildings and student aid, it wouldn't be worth getting excited about. The money devoted to new construction amounts to about \$2 million per campus. With new facilities costing in the tens of millions, that's not a big deal.

Nor is increased student aid fundamentally important. I've had this discussion with my liberal friends a thousand times, and I have come to accept that they will never wrap their minds around the truth: Lack of student aid is not the major reason students drop out of college. They drop out because they are academically unprepared or emotionally disengaged or because they lack self-discipline or because bad things are happening at home.

Affordability is way down the list. You can increase student aid a ton and you still won't have a huge effect on college completion.

What's important about the Obama initiative is that it doesn't throw money at the problem. It ties money to reform and has the potential — the potential — to spur a wave of innovation.

People who work at community colleges deserve all the love we can give them, since they get so little prestige day to day. But the fact is many community colleges do a poor job of getting students through. About half drop out before getting a degree.

Most schools have poor accountability systems and inadequately track student outcomes. They have little information about what works. They have trouble engaging students on campus. Many remedial classes (60 percent of students need them) are a joke, often because expectations are too low.

The Obama initiative is designed to go right at these deeper problems. It sets up a significant innovation fund, which, if administered properly, could set in motion a spiral of change. It has specific provisions for remedial education, outcome tracking and online education. It links public sector training with specific private sector employers.

Real reform takes advantage of community colleges' most elemental feature. These colleges educate students with wildly divergent interests, goals and abilities. They host students with radically different learning styles, many of whom have floundered in traditional classrooms.

Therefore, successful reform has to blow up the standard model. You can't measure progress by how many hours a student spends with her butt in a classroom chair. You have to incorporate online tutoring, as the military does. You have to experiment with programs like Digital Bridge Academy that are tailored to individual learning styles. You have to track student outcomes, as the Lumina Foundation is doing. You have to build in accountability measures for teachers and administrators.

Maybe this proposal, too, will be captured by the interest groups. But its key architects, Rahm Emanuel in the White House, and Rep. George Miller have created a program that is intelligently designed and boldly presented.

It's a reminder that the Obama administration can produce hope and change — when the White House is the engine of policy creation and not the caboose.



DAVID BROOKS

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