President's CoCo Update
June 9, 2023

Total Grads & Awards (anticipated) for 2022-2023 Winter, Spring, and Summer: 85

Degrees	#	Certificates	#
AAOT	12	MA Certificate	4
AAOT-Elem Ed	1	PN Certificate	10
AGS	3	AAS AQS	8
ASOT-BUS	1	AQS Certificate	4
AAS Nursing	21	Accel ACCTG Cert	2
		Entry Level ACCTG Cert	2
		ECE Certificate	6
		SMAW1 Certificate	5
		Wire Feed Certificate	2
		SBR Level 1 Certificate	4

Also: Summer & Fall 2022 2022: Additional 7 (2 AAS ACCTG, 4 AAOT, 1 MA Certificate)

Also wonderful, and not reflected above, outcomes for GED, ESOL, SBDC and Community Education.

2023-2024 Budget Process

The final public hearing for the new 2023-2024 proposed budget occurs next Wednesday, June 21, at 6:00 PM, in Lincoln City. This is an open public meeting. Information about how to access Board Meetings (including this Budget Meeting) is on the College Board of Education web page https://oregoncoast.edu/board-meetings-and-agendas/

Impacts of Oregon Legislative Impasse: If state budgets are not passed before the end of session, a previously passed continuing resolution (HB 5046) will go into effect through Sept 15. While state leaders are still seeking clarification from the Department of Justice, under the current understanding of how the legislation is structured, community colleges would receive virtually no funding for the first quarter of the 2023-25 biennium. This is because there is no 8th quarter expenditure authority for community colleges. Additionally, all bills that have not passed both chambers will be dead, including SB 523, the BSN via Community Colleges. Please see page two for an explanation provided by the Oregon Community College Association (OCCA).

Summary:

If state budgets are not passed before the end of session, a previously passed continuing resolution (HB 5046) will go into effect through Sept 15. While state leaders are still seeking clarification from the Department of Justice, under the current understanding of how the legislation is structured, community colleges would receive virtually no funding for the first quarter of the 2023-25 biennium. This is because there is no 8th quarter expenditure authority for community colleges.

Key Points:

If the Senate does not meet before the constitutional close of session on June 30, all bills that have not passed both chambers will be dead. This includes the HECC budget bill (HB 5025), which includes funding for community colleges, public universities, and state-based financial aid.

Should budgets not pass and the continuing resolution take effect, community colleges would likely receive, effectively, no payment from the state for the first quarter of the 2023 biennium. Funding in HB 5025 for the Community College Support Fund is $800 million for the biennium, so colleges would be short roughly $100 million statewide.

This issue is compounded for community colleges because they already have the final payment of the current biennium (Q8) deferred until the first quarter of the upcoming biennium (Q1). This is the result of a political deal to balance the state budget by deferring the final payments for community colleges and K-12 that occurred over 20 years ago and still carries forward today.

Because of the deferred payment, community colleges will not have received a payment for either Q8 of the 2021-23 biennium or Q1 the 2023-25 biennium should the continuing resolution go into effect. Many colleges already borrow money at high cost to maintain cash flow during Q8 and the longer the delay goes on the more it will cost colleges in interest. One college estimates that of the $100 million increase contained in HB 5025, 25 cents of every dollar of their share of that increase would go to cover interest costs.

The deferred payment will make things acutely worse for colleges in the current situation but also creates additional borrowing costs each biennium for many colleges. The legislature should make a one-time appropriation to restore the deferred Q8 payment in the current biennium to remedy this.
While colleges and universities are working on short-term contingency plans for support fund uncertainties, the HECC staff say they are confident that state grant aid will be paid to qualifying students for the Fall 2023 academic term.