

Students succeed when Oregon reinvests in higher ed

Tim Nesbitt 5:27 p.m. PDT May 6, 2015



(Photo: Special to the Statesman Journal)

After years of disinvestment in higher education, Oregon's economic recovery has finally made it possible to boost state funding for our universities. But it turns out that apportioning the gain from reinvestment can be even more challenging than rationing the pain of disinvestment.

So it appears from the comments by Portland State University Professor Ramin Farahmandpur in his April 28 guest opinion (</story/opinion/2015/04/29/outcomes-based-funding-failed-education-legacy/26478035/>), "Failed legacy: Outcomes-based funding." And so it will be if we fail to recognize that the way the state finances higher education, in both good budget periods and bad, has been unconnected to the needs of our students and unresponsive to the best efforts of our universities.

Our commission recently concluded an analysis of the college-going experience of Oregon's high school class of 2006. By 2013, 82 percent of these students had graduated from high school or secured a GED. Of these, 80 percent pursued education beyond high school. But only 33 percent completed a two-year or four-year degree.

Clearly, the greater challenge we face in attempting to achieve our ambitious college completion goals is not getting more students to show up but getting more of them to stay, persist and complete.

Until now, the state's funding formula has ignored this challenge. State funds – and funding cuts – have flowed to our universities based on the number of students who complete individual courses, not on the persistence and success of those students in attaining degrees.

Universities that devoted extra resources to getting their students over the finish line have received little or no extra help from the state. And those with a larger share of low-income and minority students, like Western Oregon University and PSU, fell farther behind their peers over the past decade in terms of state dollars devoted to the attainment of degrees.

This is why our commission recently decided to align state dollars with state goals in an "outcomes-based" funding model that will reward our universities for the success of Oregon students.

Those who recoil from this new focus on outcomes as somehow alien to higher education ignore the all-too-common outcomes in today's system of students leaving our colleges and universities with crushing debts and no degree. To counter this trend, our new model will make student success our first priority and, contrary to Prof. Farahmandpur's assertions, provide extra resources for underserved and non-traditional students from low-income, minority and rural backgrounds and those who have served in the armed services.

We agree that Oregon has woefully underfunded its higher education system. But that is changing now. State funding for our universities in the next budget period is slated to increase by more than twice the rate of state revenue growth.

Under our outcomes-based funding model, PSU and WOU will receive increases in state support of 17 and 24 percent respectively in the next school year. We are confident that PSU, WOU and all of our universities will spend these dollars well – and set the stage for continued improvement in the success of our students and ever greater investments in our universities by the state.

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Outcomes-based funding a failed education legacy

Ramin Farahmandpur 7:30 p.m. PDT April 29, 2015



(Photo: Special to the Statesman Journal)

In the post-Kitzhaber era, one may be surprised to learn that a controversial vestige of the disgraced leader's vision has just been enacted.

The Higher Education Coordinating Commission (or HECC), which has oversight of post-secondary institutions in Oregon, has marched ahead with its planned adoption of a new degree-rewarding funding plan.

Will HECC's decision to adopt a formula that pays universities and community colleges for the number of degrees it produces actually improve the state's college graduation rates?

Student enrollment has traditionally driven state support for public higher education. Now, however, this new "outcomes-based" funding model will replace the old system, in an effort to boost graduation rates.

HECC admits that outcomes-based funding forces Oregon's seven public universities to compete with one another over limited resources. And, even though the commission acknowledges that this model is "suboptimal," it plans to push forward with the proposal anyway.

The State Higher Education Executive Officers Association (SHEEO), which monitors higher education finance, reports that the surge of student enrollment in Oregon has outpaced state support. Since the 2007 recession, full-time student enrollment increased by 27.7 percent while state and local support fell by 30 percent.

Among states, Oregon ranks 33rd in support for public higher education. The state allocates just 5 percent of its tax revenues and lottery profits to this sector, below the 5.8 percent national average.

Mary Spilde, president of Lane Community College, doubts that outcomes-based funding will improve graduation rates. Spilde says the new funding model rewards and punishes colleges based on the number of students they graduate.

As she points out, 4,600 of LCC's 11,000 students enrolled each fall are full-time, degree-seeking students. Most are also first-generation, low-income or minority students and the majority of these will take four or even six years to complete what has traditionally been a two-year degree. For this, LCC will be punished under the new system.

Outcomes-based funding forces colleges to focus on quantity, not quality, of degrees awarded. One consequence of penalizing institutions for failing to meet unrealistic churn rates may be grade inflation.

More important, outcomes-based funding doesn't account for the soaring college tuition that most students can't afford without relying on student loans. Nor does it acknowledge that a growing number are nontraditional and first-generation college students who require more resources and services, and who must work full-time to support themselves and their families.

If colleges fail to meet projected graduation rates, programs may be cut, courses may be canceled and instructors may be dismissed. For students, it means they will have fewer courses to choose from, fewer academic advisers to guide them and fewer resources and services to help them succeed. In the long run, this downward spiral may impede degree-attainment, not promote it.

Because outcomes-based funding doesn't increase state support for public higher education, disadvantaged and underrepresented students will suffer the most. As pressure mounts to achieve the state's 40-40-20 goal, these students' struggles will be a testament to a failed governor's failed education legacy.

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