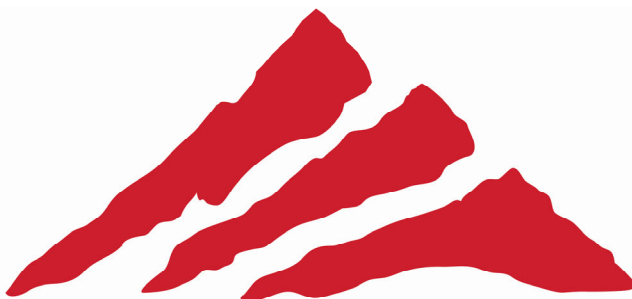




POPULAR ANNUAL FINANCIAL REPORT

FISCAL YEAR ENDED JUNE 30, 2022



MT. HOOD
COMMUNITY COLLEGE

Mt. Hood Community College

Mission Statement

With a commitment to being inclusive, Mt. Hood Community College offers a full range of education and training in a supportive environment to advance personal and professional growth. We are a community hub for cultural, economic, recreational, and intellectual enrichment

Vision Statement

Mt. Hood Community College is valued as a cornerstone of the community for affordability, equitable student success, innovation, and financial stewardship.

Committed to These Values

Accessibility

We seek to minimize barriers

Equity

We value fairness and impartiality

Innovation

We believe in continuous improvement

Learning

We foster an environment to support student success

Quality

We aspire to excellence in all our programs and services

Support

We seek to create an encouraging environment

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Letter From the President and Vice President, Finance & Administration

Greetings:

We are pleased to present Mt. Hood Community College's first-ever Popular Annual Financial Report (PAFR). We intend for this abbreviated version of our Annual Comprehensive Financial Report (ACFR) to increase transparency by providing critical financial information about the College, and its component unit, the Mt. Hood Community College Foundation, in a clear and easily-absorbed format.

For the 2023 fiscal year, we are excited to launch our new, equity-centered strategic plan, with goals focused on teaching and learning, educational programs and support services, organizational structure, systems and processes, facilities and technology, and community connections. We will launch operations to complete comprehensive academic and facilities plans in the upcoming year. We are also implementing our Strategic Enrollment Management Plan. We expect this effort to improve enrollment and retention and stabilize recent enrollment losses that have created a financial challenge for the college over the past five years.

In addition to these planning processes, several capital improvement projects are underway or planned, which will support student success by improving the physical environment to meet students' needs. Projects include a complete redesign of the dental hygiene lab, creating a student equity center, and deferred maintenance upgrades to elevators, parking lots, and roofing. Projects are funded through Oregon state capital construction funds and matched by grants and district reserves.

This Popular Annual Financial Report is entirely voluntary. We provide it to promote transparency with our internal and external stakeholders and others interested in the college. We want to thank the Mt. Hood Community College financial services staff for their work in putting this together. Electronic copies of the ACFR and the PAFR are available for review on the College's website at <https://www.mhcc.edu/BudgetOffice/>.

Sincerely,



Dr. Lisa Skari
President



Jennifer DeMent
Vice President, Finance & Administration



MHCC President,



Vice President, Finance & Admin.

Jennifer DeMent

Meet the District Board of Education



MHCC PRESIDENT
Dr. Lisa Skari



ZONE 1
Diane McKeel



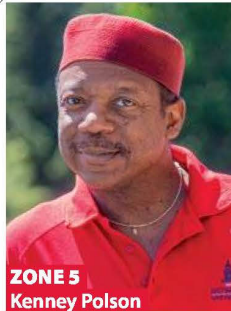
ZONE 2
Marie Teune



ZONE 3
Andrew Speer



ZONE 4
Annette Mattson



ZONE 5
Kenney Polson

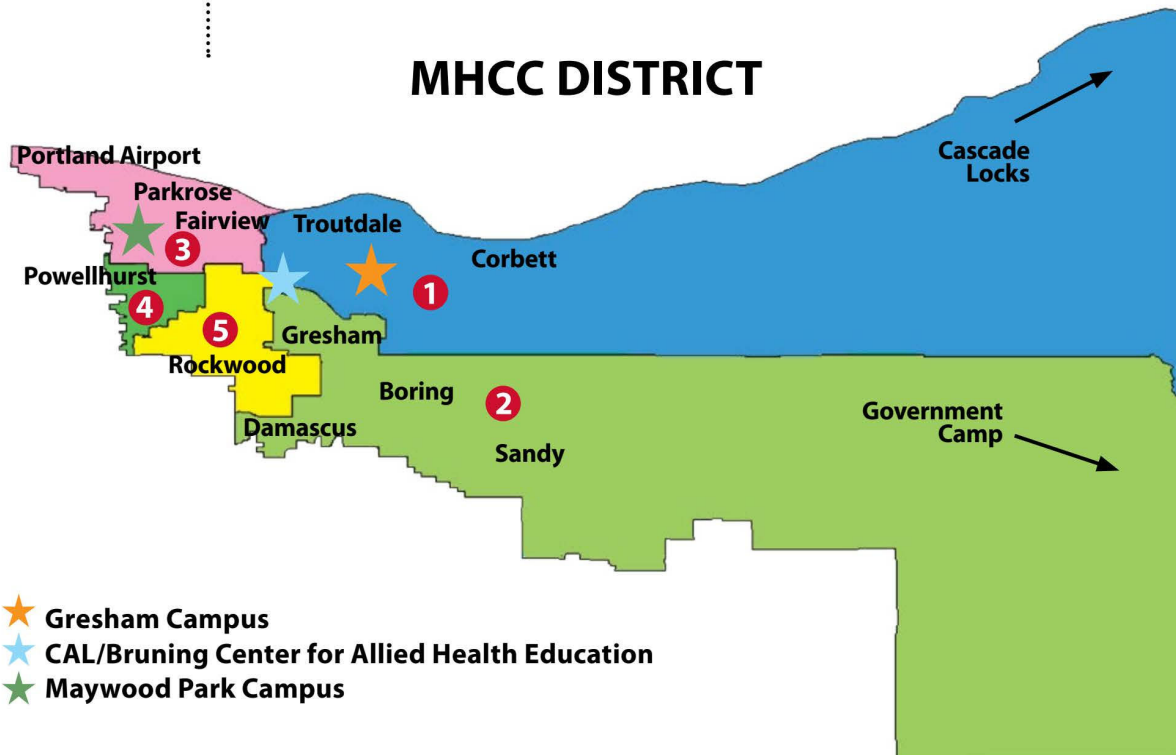


AT-LARGE, POSITION 6
Diane Noriega



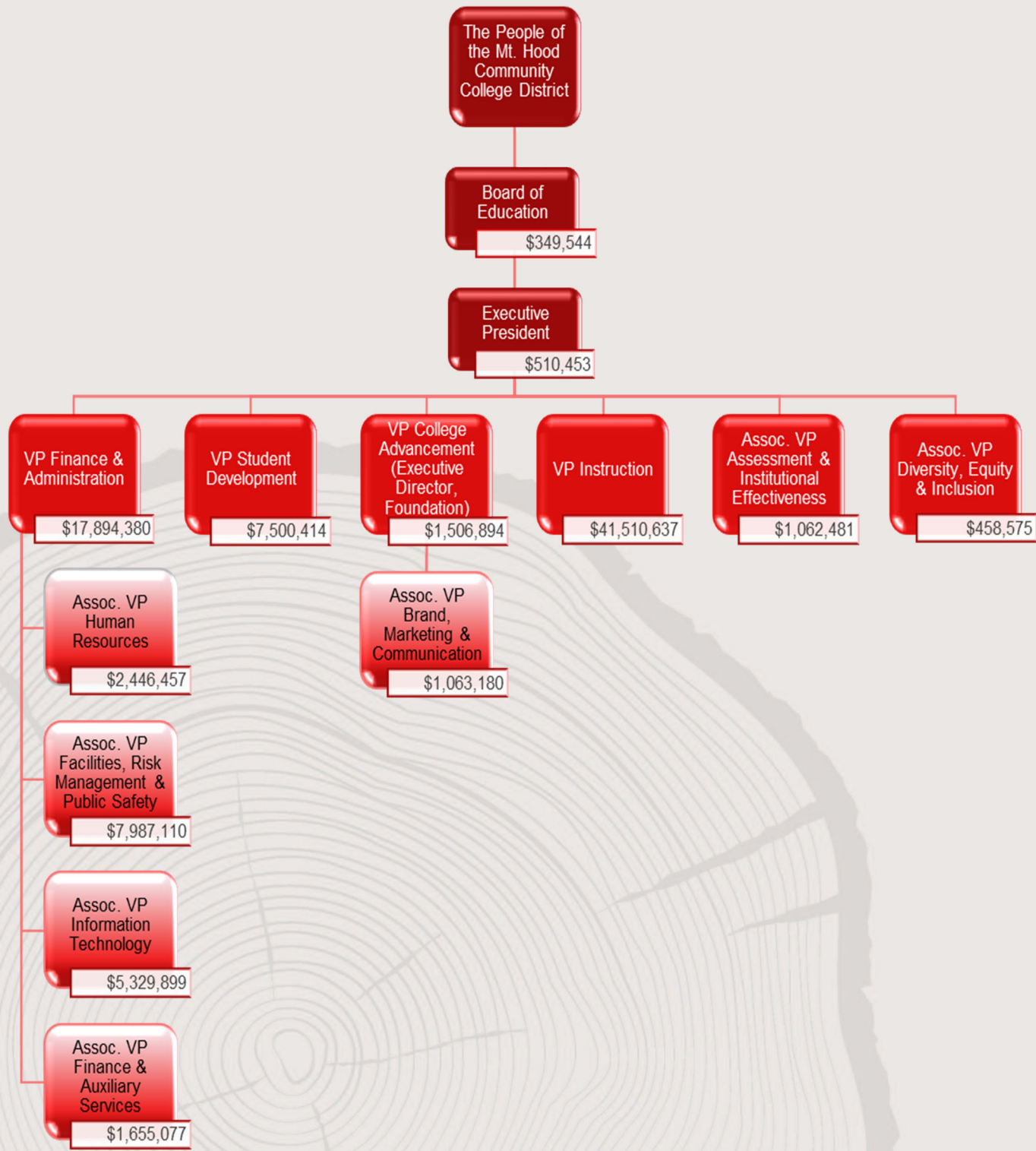
AT-LARGE, POSITION 7
LaVerne Lewis

MHCC DISTRICT



- ★ Gresham Campus
- ★ CAL/Bruning Center for Allied Health Education
- ★ Maywood Park Campus

Organizational Chart



* General Fund Budget values for 2022-2023 fiscal year.



President: Dr. Lisa Skari

Accreditation:

- › Northwest Commission on Colleges and Universities

Key Dates:

- › Founded: 1966
- › First associate degree awarded: 1968

Student Enrollment (2020-21):

- › Full-time: 13%
- › Part-time: 87%
- › 18,493 (unduplicated head count)

Degrees Awarded (2020-21):

- › Career/technical degrees: 909
- › Transfer degrees: 630
- › Certificates: 599

Tuition:

- › \$118 per credit

Foundation Awards and Scholarships (2020-21):

- › \$590,000

Employees (Fall 2021):

- › Full-time: 632
- › Part-time: 482

MHCC General Fund Budget (2021-22):

- › \$83.8 million

MHCC's Focus

- › Student Success
- › Providing cutting edge career paths
- › Connecting with our community
- › Creating a campus of inclusion and equity
- › Committing to sustainable practices

MHCC.EDU

Quick Facts

Mt. Hood Community College has a more than

\$549 Million Positive Economic Impact

in East County, every year – the equivalent of

7,270 Jobs

Mt. Hood Community College was ranked as the **top community college** in Oregon **for salary potential** by [payscale.com](https://www.payscale.com)

More than One Million Students

have taken classes at Mt. Hood Community College – with an average of almost **23,502 annually** during the past five years.

District ranges from Mt. Hood to PDX

and includes almost 500,000 residents in parts of Multnomah and Clackamas counties



Mt. Hood Community College has

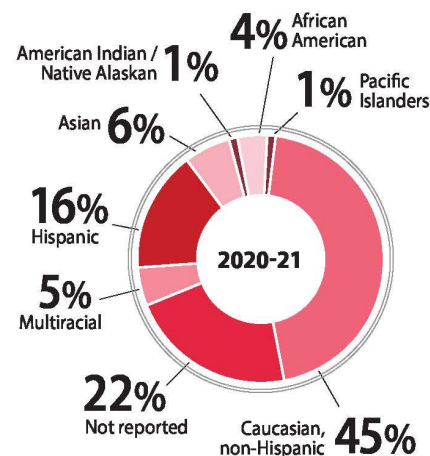
Increased its Completion Rates

Every year, for five straight years, meaning:

- › Students are completing their educational goals faster
- › Transitioning to their next steps
- › **Saving thousands in tuition costs**



Student Diversity



Mt. Hood Community College

Serves 15X More Students Each Term

than it did when it opened.



Economic Value of Mt. Hood Community College*

Mt. Hood Community College (MHCC) creates a significant positive impact on the business community and generates a return on investment to its major stakeholder groups – students, society, and taxpayers. Using a two-pronged approach that involves an economic impact analysis and an investment analysis, this study calculates the benefits to each of these groups.

Income Created by MHCC in 2018-19 *(added income)*

\$549 Million Total Impact

For Every \$1 Spent by ...

STUDENTS	\$3.70 Gained in lifetime earnings
TAXPAYERS	\$2.50 Gained in added tax revenue and public sector savings
SOCIETY	\$6.70 Gained in added income and social savings

Impact on MHCC District

During the analysis year, MHCC, its students, and alumni added \$549 million in income to the MHCC Service District economy, approximately equal to 4.1% of the Gross Regional Product. Overall, the added income created by MHCC and its students supported **7,270 jobs equivalents**.

Student Perspective

In return for the monies and time invested in the college, students will receive a present value of \$296.6 million in increased earnings over their working lives. This translates to a return of \$3.70 in higher future income for every \$1 that students invest in their education. The average annual return for students is 17.0%.

Social Perspective

Society as a whole in Oregon will receive a present value of \$1.3 billion in added state income over the course of the students' working lives. Society will also benefit from social savings related to reduced crime, lower unemployment, and increased health and well-being across the state. For every dollar that society spent on MHCC educations during the analysis year, society will receive a cumulative value of \$3.70 in benefits.

Taxpayer Perspective

In FY 2018-19, state and local taxpayers in Oregon paid \$40.7 million to support the operations of MHCC. The net present value of the added tax revenue stemming from the students' higher lifetime incomes and the increased output of businesses amounts to \$93.9 million in benefits to taxpayers. Savings to the public sector add another \$8.9 million in benefits.

Dividing benefits to taxpayers by the associated costs yields a 2.5 benefit-cost ratio, i.e., every \$1 in costs returns \$2.50 in benefits. The average annual return on investment for taxpayers is 8.2%.

**Based on an economic impact study prepared by EMSI, an independent research company.*



Our History & Campus Profile

Mt. Hood Community College (MHCC) is located in Gresham, Oregon in Multnomah County. MHCC serves a large geographic area starting east of Highway 213, and ending at Columbia River in the north, Hood River County in the east, and Clackamas County in the south. MHCC has three campuses, the Gresham campus, CAL/Bruning campus and the Maywood Park campus.

MHCC is a public two-year college that provides 27 university transfer certificates, 37 direct to employment degrees, and 120 associates degrees. It is one of 17 community colleges in the State of Oregon. MHCC also provides career counseling and planning, academic and transfer advising, library services, family resources like Head Start, testing services, and Veteran services to students with a number of these services accessible to the wider community. The CAL/Bruning campus houses the center for Allied Health Education with state-of-the-art clinical skills labs and simulation centers. The Maywood Park campus provides adult and basic education/GED courses, English as a second language courses, and Head Start school programs.

Located within the city limits of Gresham, MHCC serves many of the communities that live in east Multnomah County. The extent of the service district encompasses Multnomah County, Clackamas County and a small part of Hood River County. The community college district covers about 950 square miles with a population of more than 300,000 residents. There are eight school districts nested within MHCC's service district: Corbett, David Douglas, Gresham-Barlow, Parkrose, Port of Cascade Locks, Reynolds, Centennial, and Oregon Trail.

MHCC opened in 1966 and has been serving students in evolving fields ever since. As of the 2020 school year MHCC was serving about 22,000 students. Most of these students come from in district, about 64 percent. The student body at MHCC has diversified over the years, with a three percent increase in students of color between 2015 to 2019. The largest percentage of students from 2015 to 2019 have been between 20 to 29 years old with a growing percentage of students 19 years or younger. During the 2019 to 2020 school year about 71 percent of students were first generation students. Most students enroll at MHCC with the intent of transferring to a four-year university.

MHCC is financed by local property tax revenue, state reimbursement funds and student tuition. The service area surrounding MHCC has typically been less diverse than the college but is diversifying. In 2019 in Multnomah County 36 percent of residents reported as people of color. The largest age group in the service area includes all those aged 40 to 69. The service area has grown and diversified as more individuals and families moved east out of Portland for more affordable areas, bolstering the number of

students in local high schools and the general population who could make MHCC a part of their educational path.

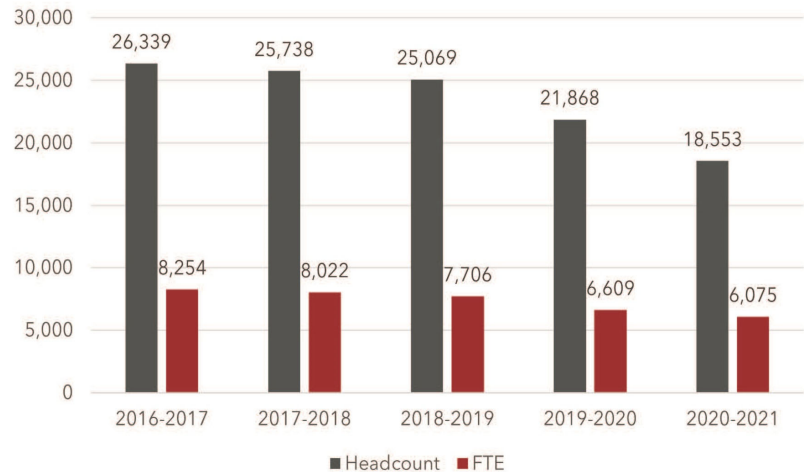


Historically, MHCC draws most students from the larger cities within the service district, including Gresham, Fairview, and east Portland. For the 2020-21 school year, approximately, 9 percent of students enrolled are from smaller communities in East Clackamas and West Hood River County. Collectively, the Portland Metro Area accounts for the majority of students enrolled, although a higher percentage are from within the service district.

Student Statistics



MHCC Headcount and Full-Time Equivalent (FTE) Students, 2016-17 to 2020-21

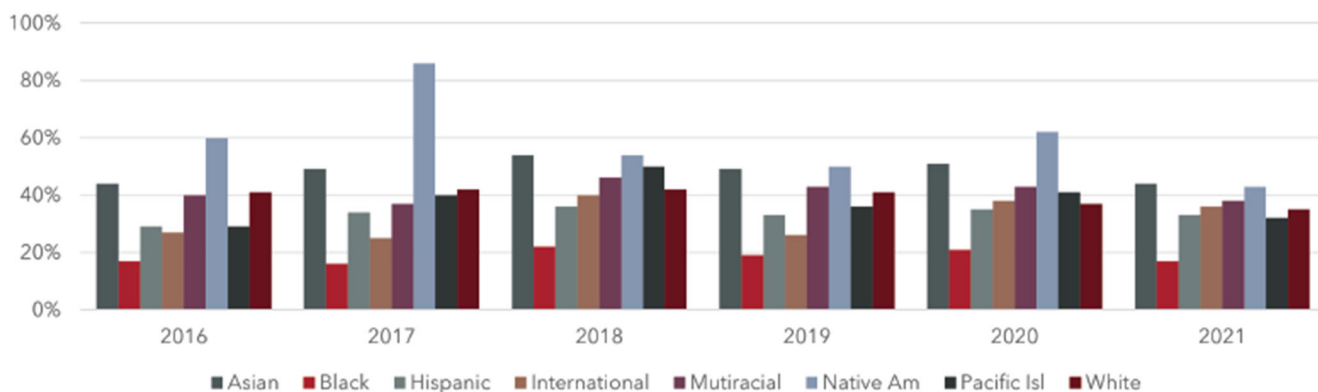


Source: Higher Education Coordinating Commission Oregon Community College Data Mart



Approximately one-third of MHCC students earn enough credits to meet degree requirements each year. When students complete 23+ credits in their first year, they increase their likelihood of program completion. Students who identify as Native American, Asian, or multi-racial have had the most success in recent years in reaching 23 or more credits in each of the last six academic years.

Credit Accumulation (23+) by Race/Ethnicity



Source: MHCC Assessment and Institutional Effectiveness, Analytics and Institutional Research

Diversity, Equity & Inclusion

Pacesetter Award



President Skari Bestowed Pacesetter Award

Congratulations to President Dr. Lisa Skari who was named the 2022 National Council for Marketing and Public Relations (NCMPR) District 7 Pacesetter of the Year for excellence in special leadership and support in college communications and marketing.

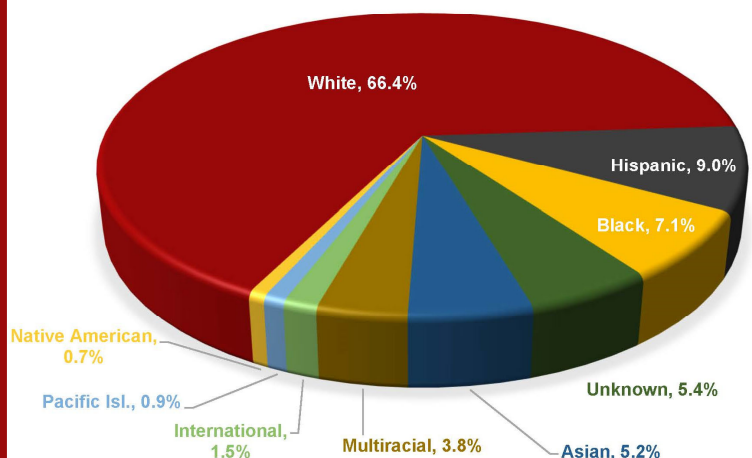
As the President of Mt. Hood Community College, she has remained a strong supporter of the marketing and communication efforts of the college and the efforts of NCMPR. As the former Vice President for Institutional Advancement and former Foundation Executive Director at Highline College in Washington State, she created an integrated marketing, recruitment, and fundraising division.

President Skari was honored this past Monday at the district's conference in Vancouver, Washington. As the NCMPR District 7 2022 Pacesetter, she is automatically a finalist for the national Pacesetter of the Year award.

NCMPR presents an annual Pacesetter Award in each of its seven districts across the country. District 7 encompasses the community, technical and junior colleges in Alaska, Idaho, Montana, Oregon, Washington, and the Canadian provinces of Alberta, British Columbia, Saskatchewan, and Yukon Territory.



**STUDENTS BY RACE
2016-2019**



Diversity, Equity & Inclusion

Anti-Racism and Poverty Efforts Gain MHCC National Equity Award

The College is honored to receive the 2021 Charles Kennedy Equity Award

The [Association of Community College Trustees](#) (ACCT) has recognized Mt. Hood Community College's efforts to systematically address racism, poverty and language barriers at the college and in East Multnomah County. On Friday, October 15, ACCT awarded MHCC the 2021 Charles Kennedy Equity Award. This award is granted to one community college in the U.S. with an outstanding equity program and recognizes exemplary commitments by the governing board and college CEO to achieving educational equity.

"We all agree that this work is imperative," said Board Chair Annette Mattson. "We want to make sure our board's commitment to equity is reflected in all our processes at MHCC and evident in the resources and services the college provides."

Earlier this year, ACCT honored the college with the 2021 Pacific Region Equity award. MHCC was one of five colleges to receive a regional award. The national recipient was chosen out of these regional winners.

"Community colleges are uniquely committed to open-access, high-quality higher education for all Americans, as well as a vital pipeline to the jobs that support communities and keep our country going strong," said 2020-21 ACCT Chair and Mohawk Valley Community College Trustee David Mathis. "This year's regional awardees represent the most outstanding people and programs across this great nation."

MHCC was selected for the Charles Kennedy Equity Award based on their recent work in:

- Creating a Student Basic Needs Resource Team.

- Establishing a Multicultural Diversity Resource Center.

- Adding African-American Cultural Courses.

- Creating an Equity Lens tool.

- Beginning work on a strategic equity plan.

- Increased recruiting of employees from underrepresented or underserved populations.

- Implementing a yearlong Equity Minded Leadership series.

- Facilitating Foundations of Critical Race Theory sessions broadly with employees.

- Increasing use of Open Educational Resources (OERs).

- Partnering with community organizations to increase services and resources.

"This award shines a light on the complex needs many residents in our district face every day," said MHCC President Lisa Skari. "We are honored to receive this equity award, but this is just the beginning of our efforts to help students and potential students overcome barriers and reach their goals."

The equity award honors the late Charles Kennedy, a trustee of Joliet Junior College in Illinois, who was a founder of the ACCT Minority Affairs Assembly, which became the ACCT Diversity Committee.



Full article is available at <https://www.mhcc.edu/MHCC-National-Equity-Award/>

Government Finance Officers Association

AWARDS FOR FINANCIAL REPORTING



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

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**Mt. Hood Community College
Oregon**

For the Fiscal Year Beginning

July 01, 2021

Christopher P. Morill

Executive Director

For a complete copy of the current and prior years' Adopted Budget and Annual Comprehensive Financial Report, visit

<https://mhcc.edu/BudgetOffice>

Mt. Hood Community College's Annual Comprehensive Financial Report (ACFR) for fiscal years ended June 30, 2021, and June 30, 2020, was awarded a **Certificate of Achievement for Excellence in Financial Reporting** by the GFOA. This is the highest recognition for excellence in state and local government financial reporting. To receive a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized ACFR that conforms to program standards and satisfies generally accepted accounting principles as well as applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe our current ACFR continues to conform to requirements and has been submitted to the GFOA to determine its eligibility for another certificate.

In addition, MHCC received the GFOA **Distinguished Budget Presentation Award** for the Adopted Budget for the fiscal year beginning July 1, 2021. The budgeting process advocated for by the distinguished budget presentation focuses on optimizing student achievement within available resources. This award is valid for a period of one year only. We have received these awards for the past several years and believe our current financial report and budget continues to conform to program requirements and will be submitted to the GFOA to determine their eligibility for another award.

Finally, MHCC is applying for the **Award for Outstanding Achievement in Popular Annual Financial Reporting** (PAFR) for the fiscal year ended June 30, 2022. This prestigious national award recognizes conformance with the highest standards for preparation of state and local government popular reports. In order to receive the award, a government unit must publish a PAFR that conforms to program standards of creativity, presentation, understandability and reader appeal. An Award for Outstanding Achievement is valid for a period of one year only. We believe our current PAFR conforms to these requirements and will submit it to the GFOA to determine its eligibility for this award.

Mt. Hood Community College is valued as a cornerstone of the community for affordability, equitable student success, innovation, and financial stewardship.



Financial Highlights

State Support

The Oregon legislature appropriates State support for its biennial budget. Oregon Administrative Rules (OAR) prescribes how State support is remitted to Oregon community colleges. Eight payments are remitted throughout the biennium. Five payments are remitted in the first year of the biennium (the even-numbered year), and three payments are remitted in the second year of the biennium (the odd numbered year). The OAR was adopted during the year ended June 30, 2003. This accounts for the rise and fall of State support referenced in the Condensed Financial Information and analysis in the Management, Discussion & Analysis and the basic financial statements.

Enrollment and Tuition

2022 tuition was \$118 per credit hour, the same tuition rate as 2021. Student fulltime equivalent enrollment (SFTE) is defined as 510 clock hours. Total SFTE decreased by 302 to 5,610 in 2022, representing a 5.1% enrollment decrease from 2021. Not all enrollment generates tuition and fees. Non-tuition-bearing enrollment increased by 78%, while tuition-bearing enrollment declined by 5.2%. Enrollment decreases translated to a 27% (\$4,340 thousand) decrease in tuition and fee revenue.

Grants

There was an increase in grants due to receiving COVID-19 Higher Education Emergency Relief Funds (HEERF) and American Rescue Plan Act (ARPA) awards. This federal funding for reimbursements of COVID-19-related lost revenue and expenditures, including providing computers and internet services for students to complete their classes in a remote setting. Related expenditures were in the institutional support, instruction and lost revenue reimbursement, as well as student financial aid.

Capital and Related Financing

The increase in unrestricted net position in 2022 is primarily due to the method of receiving state support.

Revenue and Expenses

The Statement of Revenues, Expenses and Changes in Net Position presents the revenues earned and expenses incurred during the year. As prescribed by GASB, revenues are reported as operating or nonoperating. Operating revenues and expenses generally result from providing services to students. All

other revenues and expenses not meeting this definition are reported as non-operating. Revenues are presented by source. Expenses are presented by function.



GENERAL FUND

(Dollars in thousands)

	Final Budget	Actual
Federal grants	\$ 3,000	\$ 6,066
State support	33,151	35,103
Tuition and fees	20,510	16,449
Current taxes	14,462	14,251
Prior years' taxes	190	185
Interest	600	290
Sales & Misc	406	442
Rentals	205	103
Indirect cost recovery	1,000	1,000
Total revenue	73,524	73,889
Personal services	60,262	56,459
Materials & services	9,612	8,284
Capital outlay	360	558
Debt Service	2,491	2,572
Financial aid	1,046	798
Contingency	7,663	-
Transfers (net)	670	470
Lease Inception	-	(400)
Total expenditures	82,104	68,741
Net change in fund balance	(8,580)	5,148
Beginning fund balance	10,254	15,402
Ending fund balance	\$ 1,674	\$ 20,550



Where Does the Money Come From & What Does It Do?



Grants and Interest	47%
State Support	32%
Property Taxes	11%
Tuition and Fees	9%
Auxiliary Enterprise	1%
Total	100%

In fiscal year 2022, the entity wide operating revenue increased by \$5,397 (8%) due to increased grant revenue from the Higher Education Emergency Relief Funds (HEERF) related to the federal government's response to the COVID-19 pandemic. Tuition and fees decreased by \$4,340 due to reduced enrollment. 2022 tuition was \$118 per credit hour, the same tuition rate as 2021. Not all enrollment generates tuition and fees. Non-tuition-bearing enrollment increased by 78%, while tuition-bearing enrollment declined by 5.2%. Enrollment decreases translated to a 27% (\$4,340 thousand) decrease in tuition and fee revenue.

The economy continues to be strong, with Oregon economists forecasting stabilization of personal and corporate income taxes, which have experienced significant growth since the onset of the pandemic. Jobs, income, spending, and production have risen quickly. However, there is concern that the record inflationary growth combined with interest rate increases by the federal reserve will end in at least a mild recession. The labor market continues to be tight, with demand outpacing supply by 1.6 times, according to the Oregon Economic and Revenue Forecast for September 2022.

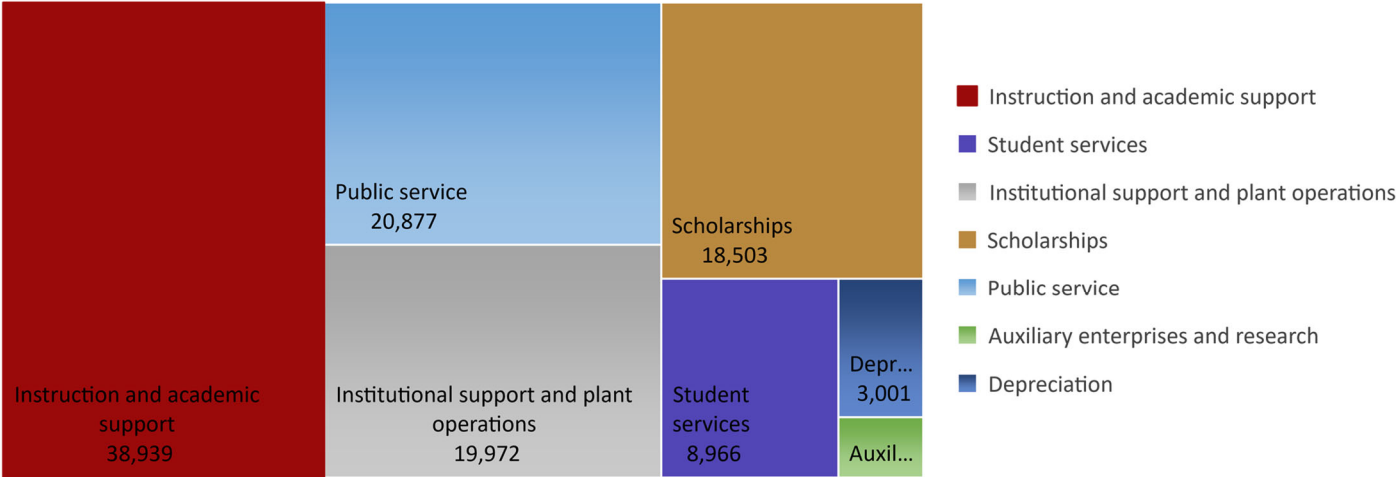




Student fulltime equivalent enrollment (SFTE) is defined as 510 clock hours. Total SFTE decreased by 302 to 5,610 in 2022, representing a 5.1% enrollment decrease from 2021. Most students at MHCC are part time students. Within the last five school years, an average of approximately 40 percent of students are enrolled in non-credit courses, followed by those enrolled in classes which total 1 to 14 credits. The percentage of students taking online classes, particularly in the last two years, has increased dramatically since the 2016-2017 school year. Before the 2019-2020 school year, an average of 24 percent of students took online courses. This number jumped to 49 percent of students taking online classes during the 2019-2020 school year, and as the pandemic worsened in 2020 there was an even more conspicuous increase to 77 percent of students taking online courses for the 2020-2021 school year.

Use of Funds

Dollars in Thousands



ONWARD

Letter from the Foundation



If I've learned anything working for one of the world's largest companies, it's that strength, agility, focus and innovation are all essential to success. Especially when the world throws two years of crazy at you!

And what I've learned as the president of the MHCC Foundation board is that Mt. Hood Community College has all four of those assets in abundance—powered by the commitment and generosity of the community that depends on MHCC for knowledge, training and progress. We need Mt. Hood to keep moving onward and, with your help, that's what happened over the past year.

Thankfully, we're getting back a little more toward normal—although I think we all know “normal” isn't what it used to be. I was heartened to see that the Foundation and our supporters have created a growth opportunity out of all the changes... this year's auction was a perfect example: scaled down, but fantastic, with a more intimate, family atmosphere and the same tremendous commitment to the future of MHCC and its students.

We all have a civic responsibility, and for me and everyone who helped me serve as president, it was a great year of giving back. Through a lot of challenges, MHCC supporters made a true impact. Through your generosity we were able to invest more than \$834,814 in our students, our faculty and our campus. Together, even in an unpredictable year, we helped better lives and change tomorrow. That's what onward is all about.

With admiration and gratitude,

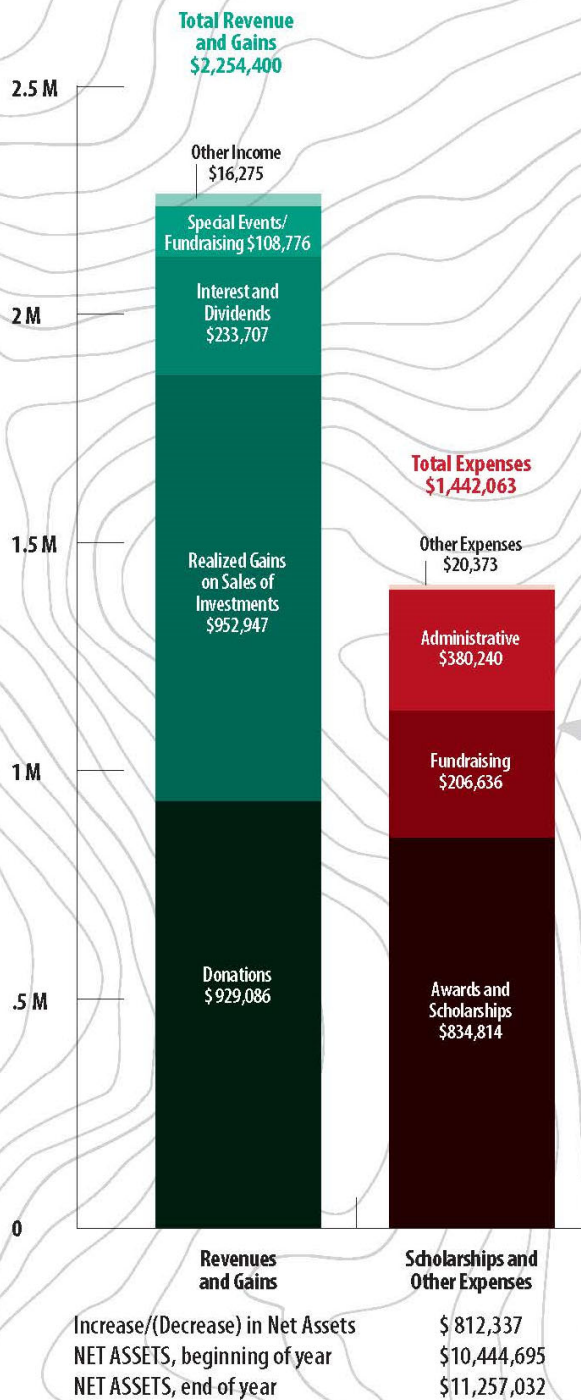
A handwritten signature in black ink that reads "Mike Moore". The signature is fluid and cursive, with the first name "Mike" and last name "Moore" clearly distinguishable.

Mike Moore
Board President



FOUNDATION FINANCIAL REPORT

July 1, 2021–June 30, 2022



Looking Forward

The District continues to emphasize many successful initiatives with key highlights listed below:

- Developed a new strategic plan to guide the next five years.
- Established a process to assess core learning outcomes.
- Increased external communication efforts to the community outreach partnerships with Toyota.
- Launched the process of building a new website for the College by reviewing proposals and selecting a consultant to support the project.
- The Oregon Higher Education Coordinating Commission (HECC) reviewed and approved the application for a new "Cybersecurity" Bachelor of Applied Science (BAS) degree.
- Ranked among the top ten community colleges in the United States by WalletHub.
- Led the Department of Labor Strengthening Community College Training grant for a statewide consortium of nine Oregon community colleges to meet local and regional labor market workforce demand.
- The District invested resources to build capacity to continue addressing students' basic needs insecurity. The Office of Diversity, Equity, and Inclusion created a new department for Student Basic Needs. To lead the new department, the District invested general funds to create a Director of Student Basic Needs and braided grant funding to build staffing capacity. Additional plans to continue moving this initiative forward include entirely building out a space to support the ongoing work to address student basic needs insufficiency this next academic year.

The Student Development Division (SDS) has several initiatives underway to be a student-ready Division committed to learning about, reflecting on, and responding to our student's basic needs.





Mt. Hood Community College

26000 SE Stark Street
Gresham, Oregon 97030

503-491-6422

*For a complete copy of the prior years' Adopted Budget and Annual
Comprehensive Financial Statement go to <https://mhcc.edu/BudgetOffice/>*

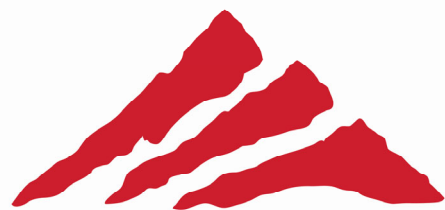
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