



CALIFORNIA COMMUNITY COLLEGES

Presentation to Assembly Higher Education Committee and
Senate Subcommittee on Higher Education

Pasadena
October 7, 2004

- In its recent passage of ACR 193 (Liu), the Legislature resolved that the provision of adequate opportunities for students to attend public higher education be furthered in four fundamental ways:
 1. Efficient use of state resources.
 2. Strategies for institutional effectiveness, including (a) dual admission programs, (b) group purchasing programs, and (c) expanded use of technology.
 3. Gradual, moderate and predictable student fee increases.
 4. Adequate and appropriate public investment.

Efficient Use of Resources

- California's Community Colleges are, by necessity, efficient in the use of resources. The state provides the colleges with a bit over \$4,200 per full-time equivalent student (FTES). By comparison the state General Fund provides CSU over \$7,500 per student and UC over \$13,000 per student. (The UC number includes over \$8,000 per student for instruction-related activities.)

Recent Steps to Further Efficiency and Accountability

- SB 338 (Scott) tightened requirements for "concurrent" enrollment of K-12 students in community colleges to better assure such enrollment provides the advanced instruction intended by Legislature. Concurrent enrollment in physical education classes has declined by 83 percent, from a peak of 19,185 FTES three years ago to only 3,197 last fiscal year.
- Meeting legislative intent of last two budget acts, the Board of Governors recently adopted regulations creating a funding "cap" on districts that generate more than 2 percent of credit FTES in courses that are not degree-applicable, or are not otherwise related to student needs for transfer, basic skills and vocational/workforce training. The current fiscal year will be the first year of implementation.
- The Chancellor's Office has committed to undertake a study regarding the design of a workable structure for the annual evaluation of district-level performance in meeting statewide educational outcome priorities, pursuant to AB 1417 (Pacheco). The Board of Governors will provide recommendations to the Governor and the Legislature in March 2005.
- The System, through its annual reports on the Partnership for Excellence program, already provides the Governor and Legislature with a wealth of data on student outcomes. This includes data for each of the 109 colleges on numbers of students transfer-prepared and transferred, awarded degrees and certificates, successfully completing courses, and successfully advancing on basic skills levels.

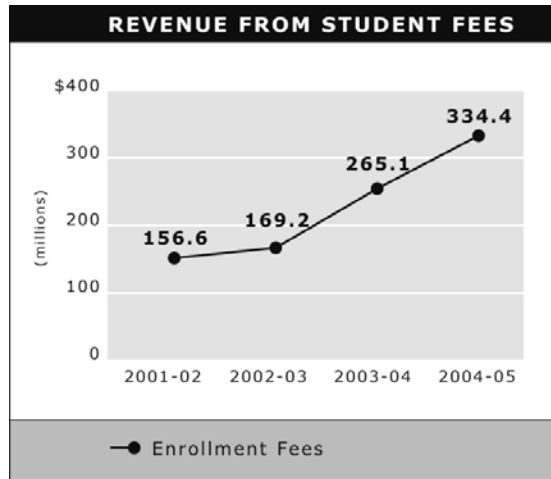
Strategies for Institutional Effectiveness

- A dual admissions program has been established in collaboration with UC and is under way in the current academic year. Discussions are underway with CSU to establish a dual admissions program for the next academic year.
- Group purchasing programs have been established by the Foundation for California Community Colleges (the foundation chartered by the Board of Governors) to pool-purchase items in capital outlay projects such as cooling and heating systems, furniture, computers and major equipment.
- The FUSION database, recently developed by the Chancellor's Office, will produce major savings by letting community college districts more quickly and accurately assess facility needs, and plan and implement capital outlay projects. FUSION is now being looked at as a model for assessing K-12 facility needs in the implementation of the *Williams* case settlement agreement.
- The Chancellor's Office, through a grant, helped start a successful pilot program that provides data on the success of individual students as they move from schools to community colleges and four-year institutions (while preserving individual privacy). CalPASS, which we now seek to expand across the state, gives educators a uniquely powerful tool to improve student success through better programs and policies and better intersegmental coordination.

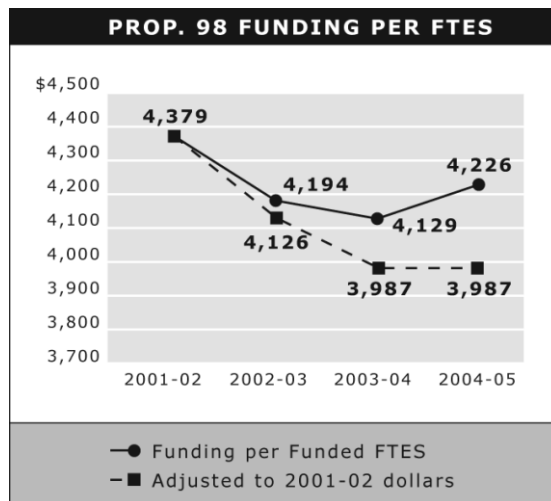
Student Fee Increases

- The Board of Governors has a long-standing policy in favor of gradual, moderate and predictable fee increases *that result in augmented resources for the educational benefit of the students.*
- The fee increases experienced by community college students in the last two budgets have not met these tests.

- Fees have jumped from \$11 per credit unit to \$26 per credit unit in less than two years, an increase of 136 percent. The figure on the left shows how system fee revenues have climbed as a consequence.



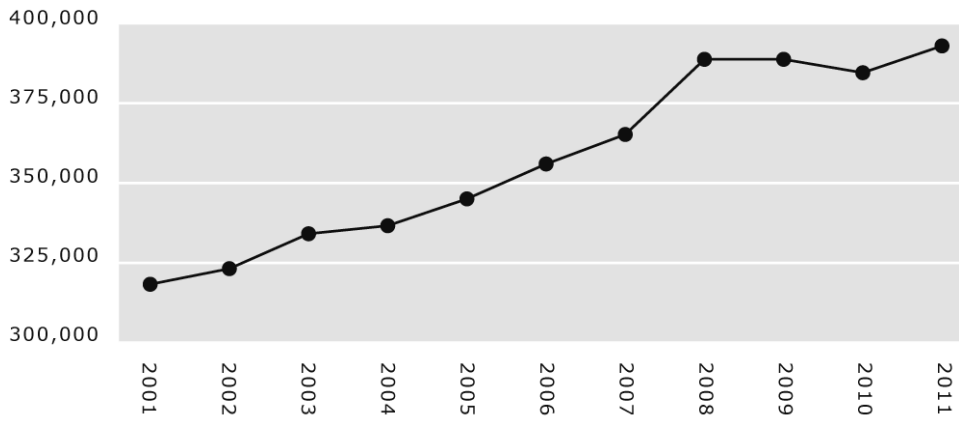
- These revenue increases to a large degree have offset, rather than augmented, state funds. The figure on the right shows that Proposition 98 funds per FTES are lower today than three years ago (3.5 percent lower). When adjusted for inflation, the purchasing power of state funds per FTES is 9 percent lower.



Adequate and Appropriate Investment

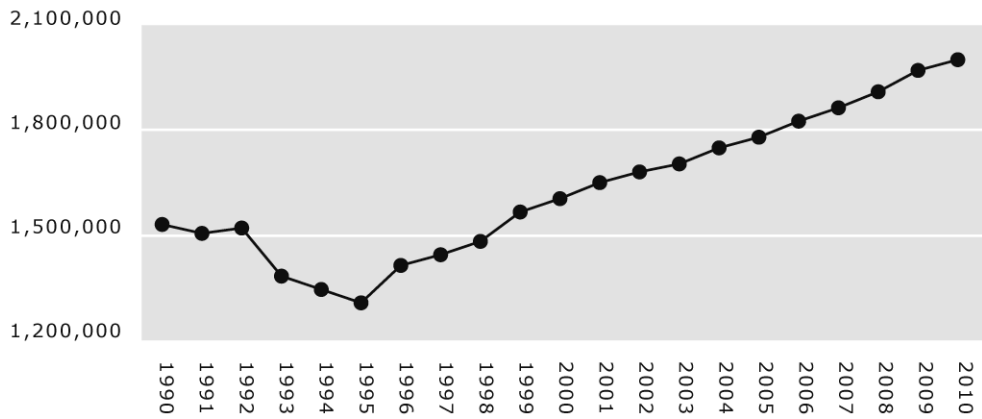
- In its 1960 Master Plan for Higher Education, California became the first state to adopt a public policy extending college opportunity to every resident adult who could benefit. Ever since, the California Community Colleges have been the principal means by which this objective is achieved.
- California's leadership in higher education access is a primary reason that the state has been at the forefront of American cultural, scientific and economic trends for the past half-century, and has grown to be the sixth largest economy in the world.
- California's Community Colleges are California's largest workforce provider. Sixty percent of all students attaining bachelor's degrees at CSU—and 30 percent at UC—start their four-year studies at a community college. Two out of every three new registered nurses trained in the state are trained at community college nursing programs. The colleges are the gateway for countless immigrants to learn English, citizenship, and other basic skills needed to become a full part of California society.
- In the foreseeable future, California faces unprecedented challenges in sustaining its commitment to college access. These challenges come in several forms, but include unprecedented numbers of young adults ("Tidal Wave II"), dramatic changes in the cultural, economic and ethnic diversity of the population, and competing demands on the state's fiscal resources.
- According to the Department of Finance Demographics Unit, our community colleges will need to serve almost 2 million students in the Fall of 2009, just five years hence. This is over 250,000 students, or about 15 percent, more than presently served. The following two figures illustrate the expected rapid increase in high school graduates and community college enrollments.

PROJECTED HIGH SCHOOL GRADUATES, 2001-2011



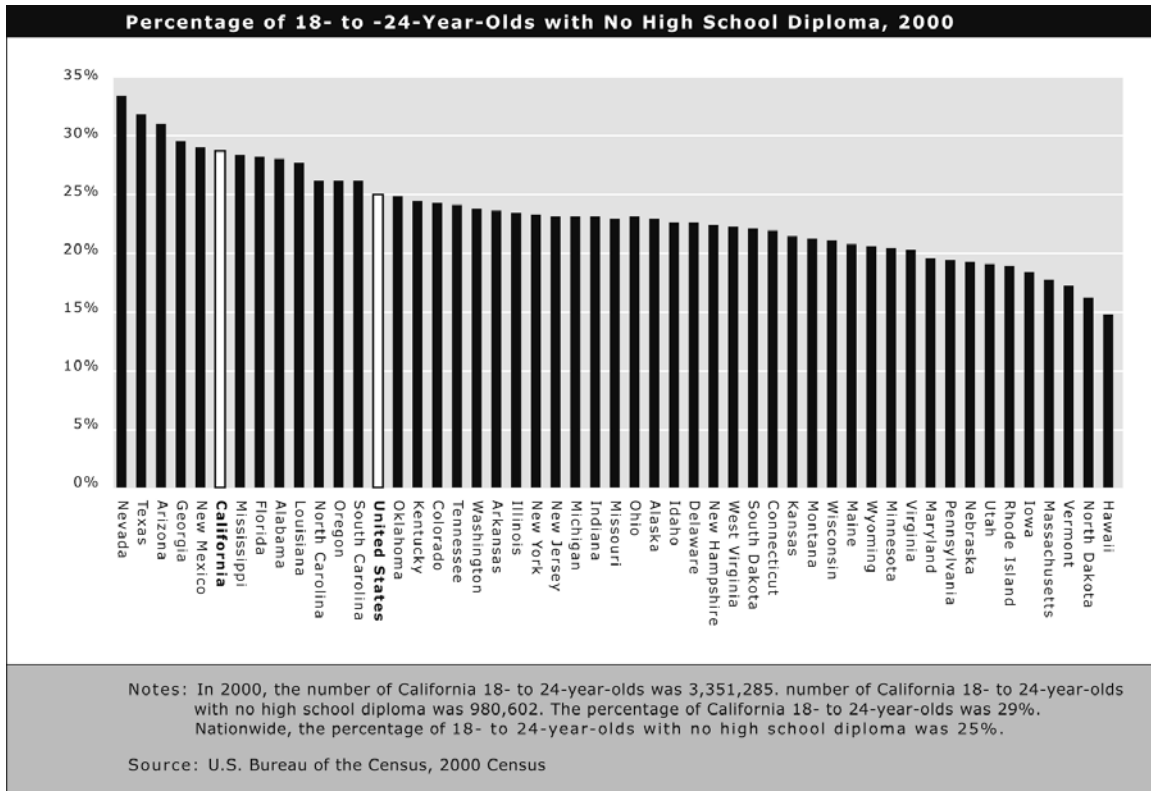
Source: Department of Finance, Demographic Research Unit

COMMUNITY COLLEGE ENROLLMENTS, 1990-2010



Note: Numbers for 2001-2010 are projected.
Source: Department of Finance, Demographic Research Unit

- The last figure shows for each state the percentage of 18 to 24-year-old Californians lacking a high school diploma. About 30 percent of Californians in this age group lack a diploma—a shocking total of almost 1 million young adults. Only five states have higher percentages. This data helps illustrate the huge needs in the state for basic skills and occupational/vocational education.



- The ability of our community colleges to help the state meet its unprecedented educational challenges requires a heightened level of investment by the state. Funding per student, as already mentioned, is below historical levels. Three years ago the state was investing \$300 million annually in improvements to educational offerings through the Partnership for Excellence program. That program is now down to \$194 million. Cuts of similar proportion have hurt programs for student matriculation and counseling, education technology, and services for students on CalWORKS, without being restored.
- The state’s investment in the community colleges will have to rise in measured, deliberate steps over the next several years if the state is to meet its burgeoning educational needs. It is an investment worth making, and within the state’s capability under the provisions of Proposition 98.