



# CALIFORNIA COMMUNITY COLLEGES

## CHANCELLOR'S OFFICE

### PRESS RELEASE

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### **California Community Colleges Chancellor Jack Scott says Investing in College Students Is an Investment in the State's Future and Economic Recovery**

*Trigger cuts will result in an erosion of student services; colleges forced to make even more tough choices*

SACRAMENTO, Calif. – California Community Colleges Chancellor Jack Scott today said that disinvesting in the 2.6 million students that attend the state's community colleges is not the path that should be taken if lawmakers want an educated workforce to power California's economic recovery. If the full mid-year cuts are applied, California's lowest income and most vulnerable students will see even more reductions to support services.

In a media call Tuesday morning, Chancellor Scott detailed the two levels of budget cuts facing the system and talked about where the continued underfunding has left the colleges. If state tax revenues fall more than \$1 billion below projections the community colleges will be cut by \$30 million and the per unit fees will go from \$36 to \$46 in summer 2012. If the shortfall is more than \$2 billion, the system will suffer a \$102 million cut.

In the event that either trigger is pulled, the Legislature and governor have indicated they will raise community colleges fees by an additional \$10 per unit in the summer 2012. If this occurs, full-time students enrolled in 15 units will pay \$1,380 annually in fees.

The cumulative effects of California's disinvestment in higher education have been devastating for the community college system. Since the 2007-08 academic year, spending per student when adjusted for inflation declined by 10.6 percent, while per unit fees increased over the same period by nearly 80 percent.

"Most of our colleges prepared for the possibility of mid-year budget cuts and planned spring 2012 course sections accordingly," Chancellor Scott said. "Where students are really going to feel the impact of the continuous reductions in state funding is in the area of student support services. Most of our campuses in the spring will have fewer part-time faculty, counselors, advisors, tutors, financial aid officers and others that are critical to helping our students accomplish their educational goals."

Without adequate support and guidance, it will be much more difficult for many students to graduate, transfer, earn a degree or get job training in a timely manner, Scott said. Other impacts that will be felt by students include course section reductions ranging from 5 to 15 percent, longer wait lists, average class sizes increasing from 29 to 31 students, transfer and career centers that are open only during parts of the academic year, and reduced access and response time on accommodations requests for students with disabilities.

"Our state must come up with an honest solution to California's budget problem," Scott said. "We can't keep slashing higher education budgets and raising fees to cover the shortfalls and close the budget gaps. California's

families and students can't plan for college costs. Fee increases, if necessary, should be moderate, gradual and predictable – that's the only way we'll be able to salvage the state's renowned higher education system and provide a trained workforce to fuel our economy."

Chancellor Scott also discussed the importance of the California Community Colleges Student Success Task Force reform plan in the context of the system needing to do more with less in these tough economic times. If adopted by the board, the plan and recommendations will be shared with the Legislature by Mar. 1, 2012. The focus of the recommendations, Scott said, is on basic skills, transfer pathways, certificate and degree attainment, and priority enrollment.

Advancements made by the California Community Colleges and the California State University systems in implementing the Student Transfer Achievement Reform Act also were discussed. The transfer reform enables community college students who complete 60 transferrable units that include general education and major preparation courses, to obtain an Associate Degree for Transfer. Those students also will be guaranteed admittance to a California State University campus with junior standing.

Since December 2010, 16 majors for the Associate Degree for Transfer program have been jointly developed by the California Community Colleges and the California State University faculty and are open to students wanting to participate in the program. Under these majors, 235 degree programs have already been approved throughout the community college system and are available to students immediately. Some of the most popular degree programs are communication studies, mathematics, psychology, and sociology. Nine more majors will be available to students in early spring 2012.

*The [California Community Colleges](#) is the largest system of higher education in the nation. It is composed of 72 districts and 112 colleges serving 2.6 million students per year. Community colleges supply workforce training, basic skills courses in English and math, and prepare students for transfer to four-year colleges and universities. The Chancellor's Office provides leadership, advocacy and support under the direction of the Board of Governors of the California Community Colleges.*

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***NOTE: Please see attached sheet for supplemental information on the mid-year budget reductions***



## **POTENTIAL 2011-12 MID-YEAR BUDGET REDUCTIONS**

- If by Dec. 15, 2011, state revenues fall more than \$1 billion below projections the community colleges will be cut by an additional \$30 million.
- If the shortfall is more than \$2 billion, community colleges will suffer a \$102 million cut.
- Either budget shortfall would result in a \$10 per unit fee increase from \$36 to \$46 starting with the summer 2012 session.

## **IMPACT OF GOV. BROWN'S CURRENT 2011-12 BUDGET TO THE CALIFORNIA COMMUNITY COLLEGES**

- 6.8% budget reduction (\$400 million). This cut translates into approximately 200,000 students losing access to classes.
- The \$10 fee increase, effective fall 2010, raised student fees from \$26 per credit unit to \$36 (a 38.5% increase).
- The \$10 per unit fall fee increase is expected to generate approximately \$110 million for the colleges to support an additional 50,000 students.
- More than \$129 million of the system's funding was deferred which will increase the cumulative total of delayed state payments to \$961 million, or roughly 17% of the system's annual funding.

## **IMPACT OF BUDGET CUTS TO COMMUNITY COLLEGE STUDENTS**

- When implementing budget cuts, community college CEOs have been directed by state chancellor Jack Scott to retain courses that lead to job retraining, degrees, certificates, transfer, and basic English and math skills.
- A fee increase to \$46 per credit unit beginning in summer 2012 would mean a 77% increase in student fees within a 1-year period (August 2010 through June 2011).
- Under the current \$36 per credit unit fee, full-time students enrolled in 15 units pay approximately \$1,080 per academic year. With the \$46 per unit fee, that total jumps to \$1,380 a year.

## **PRIORITIES AND EFFICIENCIES**

- The California Community Colleges is the most cost-effective system of education in California. While the state revenue needed to support one full-time community college student is slightly more than \$5,000 per year, that same student costs approximately \$7,500 in the K-12 system and \$11,000 and \$20,000, respectively, at CSU and UC.
- The community colleges have looked at every corner of the system to come up with efficiencies. Tactics implemented include course reductions, debt restructuring, administrative consolidations, energy savings programs, IT efficiencies, increased class sizes, reduced student services programs, furloughs, additional online instruction, increased industry partnerships and transfer coordination with the UC and CSU. The system is exhausting all options to free up additional funds and many college reserves are low.

## CALIFORNIA HAS BEEN DISINVESTING IN HIGHER EDUCATION FOR THE PAST 15 YEARS

- Enrollment at the California Community Colleges has grown 44% in the last 15 years, yet per student funding in 2009-10 (adjusted for inflation) was lower than it was in 1995-96.
- The demand for a community college education is continuing to outstrip resources. The California Community Colleges would have naturally grown by at least 5.5% in 2009-10. But instead, decreased funding caused the system to shrink by 4.8%.
- In the 2009-10 academic year, the system sustained \$520 million in budget cuts which equated to 8% of its overall budget. It is estimated that approximately 140,000 students were turned away from community college campuses in 2009-10 due to course reductions.
- For fall 2010, course sections were cut by roughly 6%. The hardest hit by budget reductions are recent high school graduates and displaced workers because they do not have priority registration.
- For fall 2011, course sections were reduced by 5% to 15%.

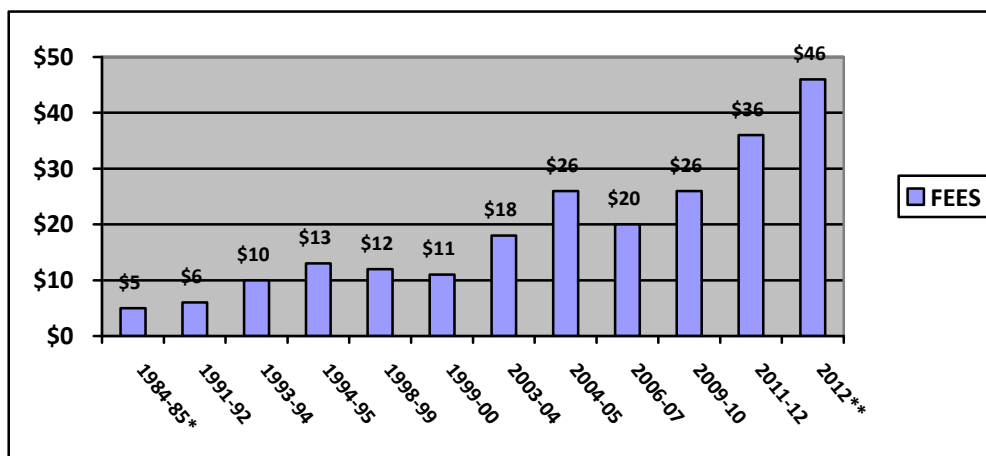
## ECONOMIC BENEFITS OF HIGHER EDUCATION

- If just 2% more of Californians earned associate degrees and 1% more earned a bachelor's degree, our state's economy would grow by \$20 billion, state and local tax revenue would increase by \$1.2 billion a year and 174,000 new jobs would be created.
- The economic return on investment in California's higher education infrastructure is a win-win for the state and its taxpayers. For every \$1 California spends on higher education, it receives \$3 in return.
- The California Community Colleges is the largest provider of workforce training in the state and nation.

## WORKFORCE SKILLS GAP

- Undergraduate demand for the three public systems of higher education in California is expected to grow by 387,000 students by 2019. To accommodate the increase it will take \$1.5 billion more in revenue.
- If current funding trends persist, the Public Policy Institute of California estimates by 2025 California will face a shortage of 1 million college degree and certificate holders needed to fuel its workforce.
- Approximately 55% of CSU and 30% of UC bachelor's degree recipients started at the California Community Colleges.
- With baby boomers retiring as the best educated and most skilled workforce in U.S. history, labor experts are concerned that California will lack workers with the critical aptitude needed to replace them.

## FEE HISTORY



## **TOP 10 REASONS WHY COMMUNITY COLLEGES ARE A WISE INVESTMENT**

1. 70% of California's higher education students are enrolled in a community college
2. 25% of community college students nationwide are enrolled in the California Community Colleges
3. 49% of California jobs offer middle skill wages, annual incomes of \$48,000-\$75,000
4. 70% of nurses in California are educated in the community colleges
5. 80% of firefighters, law enforcement officers and emergency medical technicians are credentialed at community colleges
6. 55% of CSU baccalaureates awarded in 2007 started as community college students
7. 30% of UC baccalaureates awarded in 2007 started as community college students
8. 48% of UC bachelor's degrees in science, technology, engineering and mathematics are earned by community college transfer students
9. 75% of California's GI Bill veterans who attend a public institution attend a community college
10. Every \$1 invested in higher education results in a \$3 increase in state revenues

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