

## COMMUNITY COLLEGES AT THE CROSSROADS September 2009 – Marc S. Herzog, Chancellor

Over the years, my Back to Campus messages have ranged from good news, with enrollments and budget trends offering encouragement and recognition, to bad news with achievement gaps and budget reductions challenging our capacity.

This year, community colleges, and indeed our communities in general, are at a crossroads. Our economy struggles to recover from recession, while our system and colleges struggle with budget rescissions of 2008-09 and reduced budget forecasts for 2010 through 2012. At the same time, enrollments throughout the system for the fall 2009 semester are approximately 8% above what they were in 2008 while the budget to serve those students through support services, instruction and technology to meet their needs is, at best, 10% below what is needed.

According to the regulations for the Federal stimulus, Connecticut higher education will be funded at the same levels as 2008-2009 to demonstrate the State's maintenance of effort. However, this level does not accommodate the enormous increase in student demand for our programs reflected in a 30% increase in enrollments over 10 years. Budget negotiations on the State level have resulted in approximately \$15 million in reductions from our current services request, the funding needed to sustain many services for the coming year, and a rescinding of \$1 million in reserve funds that are used for unfunded needs including equipping classrooms and purchasing technology. As we stand at the cross roads, with storm clouds surrounding us, looking in every direction for silver - a lining or a mine, indications are that we will continue to face extraordinary difficulties which will be alleviated but not solved by Federal programs and state funding that does not recognize on-going needs and increases in enrollments.

However, I want to share some encouraging news from recent headlines; a sampling is listed below. The Obama Administration's proposal to invest \$12 billion in the American Graduation Initiative: Stronger American Skills through Community Colleges has been described as "a program that is intelligently designed and boldly presented ... that has the potential to spur a wave of innovation" even by conservative columnists.

- *A Boon to 2-Year Colleges, Affirming Their Value* – The New York Times, 7/15/09
- *How Obama's \$12 billion Plan Could Change 2-Year Colleges*  
The Chronicle of Higher Education, 7/17/09

The new community college initiatives complement President Obama's broader higher education agenda which focuses on improving and simplifying the student financial aid system and college savings plans, expanding Pell grants, Perkins Loans, and College Tax Credits, and helping unemployed workers get new skills through the American Recovery and Reinvestment Act.

The American Graduation Initiative has also been called the most significant education legislation since Truman's expansion of Community Colleges following World War II, or Kennedy's challenge for space exploration. However the proposal itself places extraordinary pressure on already hard-pressed community colleges to lead the way out of recession on the national and global fronts.

The focus of the Graduation Initiative is based on a report from the American Council of Economic Advisors that points out the weaknesses of our nation's economy in a highly competitive global marketplace. The significant role played by community colleges in preparing the nation's workforce with the knowledge, skills, and technical currency needed as the foundation for prosperity in a competitive global economy has gained growing recognition in recent years. The President's proposal provides resources, approximately \$12 billion over 10 years that will build the capacity of community colleges to support America's recovery with "an additional 5 million community college graduates by 2020." *Chronicle of Higher Education, July 17, 2009.* But the competitive grant process that is the basis for funding will require time and resources for developing programs and services, expanding curricula and delivery systems, and reporting results and outcomes.

I am encouraged by my belief that we are well positioned to achieve the goals of the President's plan in Connecticut. Over the years in testimony to the General Assembly, we've presented our capabilities and our budget needs, particularly during times of economic downturn, by suggesting greater

investment in higher education and community colleges as the solution to many of the State's economic problems. At long last, the message appears to be gaining traction on the national level.

Our work with Achieving the Dream has established the system's strategic priorities to improve student success through the use of data on student needs and performance, curriculum alignment and transfer articulation, targeted academic interventions, strengthened support services and expanded financial aid and services. I believe Connecticut's Community Colleges will be in the forefront of institutions prepared to help students succeed and to meet the challenge of preparing the additional college graduates needed to return our nation's economy to a leadership position in the global economy. The new Developmental Education Initiative, funded by the Gates and Lumina Foundations, awarded in the spring to five community college systems, including Connecticut, along with the latest US DOL grant in renewable energy education, are clear evidence and an endorsement of our effectiveness in helping students to succeed by helping them to gain the college-level skills demanded by 21<sup>st</sup> century employers.

The American Graduation Initiative includes a **College Access and Completion Innovation Fund** that directs \$300 million per year for 5 years to assist States in developing and implementing plans to improve enrollment, persistence and completion of programs. The **Community College Initiative** directs \$630 million per year to community colleges through 2019, so that overall the nation benefits from graduating five million more community college graduates over the next decade.

Much of what is required in State plans is already underway in Connecticut at our community colleges because we have identified student success as the vision for our strategic and academic planning. We are already seeing progress in our efforts that align with the goals of the Federal programs to:

- reduce the achievements gaps in academic attainment among demographic groups;
- improve the coordination between 2 year and 4 year institutions;
- develop a statewide longitudinal data system to analyze education and labor market data.

At least one third of the grants must be for activities that benefit students in 2-year programs, with priority given to applicants with experience in serving

underrepresented students. With two-thirds of Connecticut's African American and Hispanic undergraduate enrollments in public higher education at our community colleges and over \$70 million awarded in financial aid in 2009, we have made great strides in expanding the diversity of our campuses and in opening the doors to higher education for the state's low income and disadvantaged students.

The proposed funding would support programs that are "innovative and have demonstrated effectiveness in the completion of a post-secondary credential leading to a skilled occupation in a high demand industry." Partnerships with business, industry, philanthropic or research organizations are encouraged and areas of interest for improvement include:

- closing gaps in enrollment and completion for underrepresented groups;
- establishing articulation agreements between two and four-year institutions
- improving education and employment outcomes that include progress from developmental education courses to credit bearing courses, transfer, the completion of industry-recognized credentials, and job placement related to skills training or degree completion.

Additional encouragement came from Under Secretary for the US Department of Education, Dr. Martha Kanter, former Chancellor of the Foothill DeAnza Community College System in California, who spoke at a meeting of Achieving the Dream states this summer indicating that the Administration's interest and the Department's focus will be on finding and funding "What works? And doing more of it."

If passed by Congress, the proposal would fund additional competitive grants to States for Community College Programs to "[implement] ... systemic reform of two-year colleges" to achieve the same benchmarks above, all of which we are aggressively pursuing in our success initiatives.

A \$2.5 billion fund would "catalyze \$10 billion in community college facility investment" to help the colleges modernize to meet employer and student needs.

However, the proposal is not free of controversy. The American Council for Education (ACE) has expressed concern that a decision to give Federal

funds to states for higher education initiatives at the same time that many states are divesting in their colleges and universities might hasten further reductions in state support of higher education. Much of the funding for the education initiatives would come from proposed reforms to the student loan system and is drawing criticism from powerful interest groups.

Even if approved, the much heralded and most welcome new funding from the Federal government will not eliminate the financial problems faced by public higher education in the long term. Only fundamental changes to the State's priorities and its allocation of funding to support those priorities can rectify underfunding of the educational services essential to ensuring long term prosperity for Connecticut and its citizens. An article in *The New England Journal of Higher Education*, Summer 2009, reports that "state governments need to meet their responsibilities... state support for higher education has been falling for the past 25 years. ... The National Conference of State Legislatures chastised its own members for treating higher education as the 'balance wheel' of state budgets, receiving whatever is left after other priorities..." T. Hartle, Sr. VP, the American Council on Education, "Ambitious Goal," *New England Journal of Higher Education*, Summer 2009.

We will continue to work with national and state leaders and our Connecticut delegation to make our interests known. But our most compelling case for recognition and resources will be your experience in

serving underprepared students, your willingness to examine student outcomes and explore educational innovations to improve those outcomes, and your commitment to a broadened community college mission that goes beyond providing access to education to providing cutting-edge instruction, intensified support services, and unflagging encouragement that leads to student success.

The success of our colleges and our students is your success. Your efforts and hard work are the source of the recognition community colleges are now receiving. This shared success will be the foundation for our future. While this year's retirement incentive reduced our ranks by more than 8%, representing not only a loss of valued employees, but also an enormous loss of experience and history, the work of our founders and friends, their guidance and expertise, has ensured our future by leaving us a system of community colleges that is recognized and respected, with a reputation for being responsive and resourceful in meeting student needs, and where student success is the expectation.

The record-breaking enrollment achieved this fall, with over 55,000 credit students seeking opportunity and success on our campuses will test our capacity as well as our commitment. But once again, encouraged by our history, your record of achievement, and our shared mission, I believe we will find our path through the crossroads by searching for success this coming semester in every direction and in every student.