



CALIFORNIA COMMUNITY COLLEGES

CHANCELLOR'S OFFICE

PRESS RELEASE

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Governor Jerry Brown Pays a Surprise Visit to the California Community Colleges Board of Governors Meeting to Discuss His Plan to Put Tax Extensions on the Ballot; Urging Republicans to Let the People Decide

Sacramento, Calif. – California Community Colleges Chancellor Jack Scott and members of the board of governors today welcomed Gov. Jerry Brown to its March 2011 meeting. Gov. Brown discussed his reasons for wanting Californians to have the chance to vote on his proposal to extend taxes so community colleges, as one budgetary example, do not have to face cuts of as much as \$800 million or more.

“The community colleges are important to our culture, our society and our democracy. It’s about skill achievement. If you’re more capable, you’re a more productive member of society. Why not pay for that? I’m not asking my Republican colleagues to tax anything,” said Gov. Brown. “I’m asking them to let the people of California decide. Do they wish to extend the existing taxes or do they wish to double the cuts that I’ve already proposed? That’s a simple proposition.”

The California Community Colleges is reeling from years of budget cuts. The demand for a college education in California is continuing to outstrip resources. Gov. Brown has pushed for a June vote to allow the state’s citizens to either approve a five-year extension in taxes or to double the cuts already proposed to close the state’s \$27 billion budget deficit. If the tax extensions are approved, the California Community Colleges still face a \$400 million cut which translates to roughly 350,000 students being turned away from the system in the 2011-12 academic year.

“The California Community Colleges is willing to do its part to help balance the state budget,” said Chancellor Scott. “But the \$800 million or more reduction that’s been discussed as part of an all cuts budget would result in immediate and damaging consequences for students. It would be ‘tragic’ if a tax extension does not get on the ballot because reductions of this magnitude would mean more and more Californians will be denied higher education.”

Brown stressed that the vote isn’t just about taxes but also cuts. He cautioned that the question before the people should be, “do we extend the taxes or go with an all-cuts budget? This proposal has such a profound impact that I don’t think the Legislature in and of itself should make that decision. To let the people vote on this was not just a campaign promise but a commitment to reinvigorate the people and let them offer their judgment.

“I’m hopeful at the end of the day that we will have this great debate and great election for this June and that Californians will vote to invest in the California Community Colleges and the other aspects of the state budget,” said Gov. Brown

Gov. Brown opened his time before the board by asking Chancellor Jack Scott about student transfer reform. Scott replied that the Student Transfer Implementation and Oversight Committee continues to meet and the transfer paths between the California Community Colleges and the California State University are in place and growing in number. Gov. Brown then asked about a reformed transfer path for community colleges and the University of California. When told there wasn’t one, Gov. Brown pledged that he would get the University of California Board of Regents moving on forming a partnership similar to the one that will roll out in the fall 2011 between the California Community Colleges and the California State University. “I’ll get the UCs on board,” Gov. Brown said. “Let’s do it.”

For more information about the California Community Colleges and California State University Student Transfer Achievement Reform Act that was signed into law in October 2010, please visit the California Community Colleges Chancellor’s Office website at <http://www.cccco.edu/ChancellorsOffice/Divisions/StudentServices/TransferArticulationHome/SB1440StudentTransfer/tabid/1809/Default.aspx>

The California Community Colleges is the largest system of higher education in the nation. It is composed of 72 districts and 112 colleges serving 2.76 million students in 2009-10. Community colleges provide workforce training, teach basic skills math and English courses, 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 California Community Colleges Board of Governors.

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Note to Editor: See attached for photos and fact sheet with information on Gov. Brown’s proposed budget for 2011-12.



February 8, 2011

California Community Colleges Impact of Gov. Brown's 2011-12 Proposed State Budget

Impact to the California Community Colleges:

- **6.8% budget reduction (\$400 million).** This cut translates into approximately 400,000 students losing access to classes (200,000 students already in the system for which the colleges are receiving no state remuneration and roughly 200,000 additional students).
- **The proposed \$10 per unit fee increase would generate \$110 million for the colleges to support an additional 50,000 students.**
- If the \$10 per unit fee increased is passed by the Legislature, the \$400 million cut would be reduced to \$290 million and access would be restored for 50,000 students. **This means 350,000 students could lose access to a community college education (instead of 400,000).**
- **\$10 fee increase would raise student fees from \$26 per credit unit to \$36 (38.5% increase).**

Impact of proposed budget cuts to community college students

- When implementing budget cuts in prior years, community college CEOs were directed by state chancellor Jack Scott to retain courses that lead to job retraining, degrees, certificates, transfer, and that help increase basic English and math skills.

Total proposed cuts to three segments of higher education

- University of California \$500 million
 - California State University \$500 million
 - California Community Colleges \$400 million
- \$1.4 billion**

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 community college full-time student is \$5,077

per year, that same student costs approximately \$9,200 in the K-12 system and \$12,394 and \$7,900, respectively, at UC and CSU.

- 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 UCs and CSUs. The system is exhausting all options to free up additional funds and many college reserves are low.

California has been divesting in higher education in 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.
- **The California Community Colleges are serving 200,000 students for which the system is receiving no state remuneration.**
- For fall 2009, course sections were cut by 6.3% and enrollment dropped by 0.2% over fall 2008. While total headcount declined by only 0.2%, the system's first-time community college student enrollments decreased by 12% indicating that the hardest hit by budget reductions are recent high school graduates and displaced workers because they do not have priority registration.

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.

Estimated financial impact of fee increase to students

- Under the current \$26 per credit unit fee, full-time students enrolled in 15 units pay approximately \$780 per academic year.
 - With the proposed fee increase to \$36 per credit unit, full-time students would pay 38.5% more or roughly \$1,080 per academic year.

Fee history

<u>Fiscal Year</u>	<u>Fee (per unit)</u>
➤ 1984-85	\$5*
➤ 1991-92	\$6
➤ 1993-94	\$10
➤ 1994-95	\$13
➤ 1998-99	\$12
➤ 1999-00	\$11
➤ 2003-04	\$18
➤ 2004-05	\$26
➤ 2006-07	\$20
➤ 2009-10	\$26
➤ 2011-12	\$36 (proposed amount in Gov. Brown's Jan. 2011 budget)

*Prior to 1984, community colleges charged no fee



California Community Colleges Chancellor Jack Scott with Gov. Jerry Brown at the March 2011 board of governors meeting in Sacramento



California Community Colleges Chancellor Jack Scott, Gov. Jerry Brown and California Community Colleges Board of Governors President Scott Himelstein



California Community Colleges Academic Senate President Jane Patton and Gov. Jerry Brown



Gov. Jerry Brown with members of the media after the California Community Colleges Board of Governors March 2011 meeting in Sacramento (March 7, 2011)