Impact of Budget Cuts on the California Community Colleges & Value of the System to California (Updated September 11, 2013)

Funding for California Community Colleges has been cut $1.5 billion since 2007-08 (PPIC report).

The 2013-2014 State Budget funding for the California Community Colleges:

- $25 million for Adult Education and $15.7 million Apprenticeship shift from K-12 to California Community Colleges.
- $89 million to increase access.
- $87.5 million for Cost of Living Adjustment (COLA).
- $209 million reduction in payment deferrals.
- $47 million energy efficiency/Proposition 39.
- $16.9 million for statewide distance education initiative.

Proposition 30 made a huge difference:

- Community colleges received $210 million in additional funds in 2012-13. Most of that money was used to make good on deferred funding commitments by the state to colleges and made room for an additional 40,000 students.
- Approximately 3,300 classes were added to the system for the spring 2013 semester.

California has been disinvesting in higher education:

- 2009-10 categorical cut ($313 million) and apportionment cut ($190 million); 2011-12 apportionment cut ($385 million).
- Served more than 252,000 FTES for whom the colleges did not receive funding; while additionally reluctantly turning away another 129,000 FTES due to workload reduction.
- Received no statutory cost-of-living increase between 2007-08 and 2012-13 creating a cumulative loss of purchasing power totaling 16.3 percent.
- Reduced course sections ranging between 5 to 15 percent per college. Increased class size.
- Fees increased from $20/unit in 2008-09 to $46/unit in 2012-13 – a 130 percent increase in five years.
- The California Community Colleges enrollment decreased by more than 585,000 students to 2.3 million in four academic years (from 2008-09 to 2012-13) due to severe budget cuts.
- Course sections (classes) were reduced by approximately 24 percent due to state funding reductions. Non-credit course sections saw a bigger decrease of approximately 38 percent.
From 2008-09 to 2011-12 the community college system reduced summer and winter sections by nearly 50 percent due to reduced funding and mid-year trigger cuts that made it difficult for colleges to plan.

**Value to California:**
- California community colleges educate 70 percent of our state’s nurses.
- California community colleges train 80 percent of firefighters, law enforcement personnel, and emergency medical technicians.
- Twenty-nine percent of University of California and 51 percent of California State University graduates started at a California community college.
- Transfer students from the California Community Colleges to the University of California system currently account for 48 percent of UC’s bachelor’s degrees in science, technology, engineering and mathematics.
- Community colleges offer associate degrees and short-term job training certificates in more than 175 fields, and approximately 25,000 apprentices are educated each year to meet the demand for a skilled workforce.
- Nearly 50 percent of all California veterans receiving GI educational benefits attend a California community college for workforce training, to earn an associate degree or to work toward transferring to a four-year university.

**High return on college education:**
- The California Community Colleges is the largest provider of workforce training in the state and nation.
- For every $1 California invests in students who graduate from college, it will receive a net return on investment of $4.50.
- Californians with a college degree will earn $1,340,000 more than their peers with only a high school diploma. Students who earn a degree or certificate from a California community college nearly double their earnings within three years.
- Attending or graduating from a community college doubles an individual’s chance of finding a job compared to those who failed to complete high school.
- The California Community Colleges is the state’s most cost-effective system of education – the revenue needed to support one full-time community college student is slightly more than $5,000 per year.
- The U.S. Bureau of Labor Statistics projects that occupations that require an associate degree will grow by 18 percent through 2020 – faster than the new job growth for those with a bachelor’s degree.

**Priorities and efficiencies:**
- The Student Success Initiative of 2012 helps to improve educational outcomes, improve the workforce preparedness of the state and close the achievement gap for historically underrepresented students. It decreases the amount of time it will take students to earn a
degree, certificate and/or transfer to a four-year university, which saves students and taxpayers money through reforms and efficiencies.

- In 2012, the California Community Colleges and California State University launched the new Associate Degree for Transfer program that simplifies the student transfer process between the two systems. The initiative will generate approximately $160 million annually in cost savings and those savings will provide access to 40,000 additional community college students and nearly 14,000 California State University students each year.
- 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 slightly more than $5,000 per year, that same student costs approximately $7,500 in the K-12 system and $20,000 and $11,000, respectively, at UC and CSU.

**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.
- 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. With enrollment decreasing half a million students in four years, it’s obvious we’re going in the wrong direction.
- 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.

**California Community Colleges fee history:**

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<th>Fiscal Year</th>
<th>Fee (per unit)</th>
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*Prior to 1984, community colleges charged no fee

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