Four important changes for the community colleges of California are proposed. First, legislation should be developed that establishes the basic framework for enabling community colleges to restore a level of access to community college education and training for more citizens. This would provide economic and social opportunity for more citizens, help meet demands in the labor force and needs of the state, and help reverse trends that harm the state's economy, society, and multi-cultural diversity. Secondly, the state should develop a public awareness and marketing plan that would inform the public, media, and policy makers about the value of community colleges and the need to increase access. Third, accountability to the community colleges' stakeholders by those in governance should be increased. The fourth proposal focused on the mandates and policies that emerged in the 1990s. They included but were not limited to: welfare reform; the improvement of transfer and articulation; the diversity of students, faculty, and staff; Proposition 209; the development of a state work force preparation plan; and instructional delivery systems. Nussbaum also argued for maintaining a commitment to diversity. (TGO)
The State of the California Community Colleges, 1997

Thomas J. Nussbaum

California Community Colleges
President Petrossian, thank you for your inspiring remarks, and thank you particularly and personally for your kind remarks about me. You have been the kind of Board President that every chief executive dreams of, and any success I might have as chancellor is ultimately shared with you and the Board. Thank you.

Honored members of the Board of Governors, fellow chancellors, superintendents and presidents of our colleges, valued colleagues in Consultation, and dedicated staff, it is an honor to be your chancellor. It is an honor to stand before you today to offer the first ever, State of the California Community Colleges Address, a policy address that I hope will be given annually in the years to come.

As we start the new academic year, we have much to celebrate. Community colleges, both within the state and across the nation, are enjoying a major upsurge in recognition and support for their role, as well as major improvements in funding. President Clinton, many governors (including our own Pete Wilson) and other public figures are embracing the community colleges as never before. The major media—The Wall Street Journal, The New York Times, and others—are extolling the virtues of our great institutions on almost a daily basis.

In California, we have enjoyed our finest two years ever in terms of funding. Let me repeat, the two largest ever increases in funding for our colleges have come the past two years. For 1996-97, we received an overall increase of $480 million—$355 in ongoing funds, and $125 million in one-time funds. And, for 1997-98, we have received and overall increase of $500 million—$360 million in on-going funds, and $137 million in one-time funds. These two years of double digit increases have increased our base budgets by almost $750 million. For the first time since 1991, we have received growth funds well beyond the rate of adult population growth, we have been funded for cost of living changes, and we have received hundreds of millions more for instructional equipment, libraries, technology, and scheduled maintenance.

Nationally, we are positioned better than ever to advance the California Community Colleges. Our own Isobel Dvorsky, a trustee with the Chabot-Las Positas District, is the incoming chair of the Association of Community College Trustees (ACCT), and Armando Ruiz, a trustee with the Coast Community College District, joins her on the ACCT Board. Also, our own Augie Gallego, is the incoming chair of the American Association of Community Colleges (AACC), and Chancellors Del Anderson, Brice Harris, Bill Segura, as well as President Evelyn Wong join Augie on the AACC Board of Directors. In addition, the Board of Governors and Chancellor's Office are working with the Community College League of California to establish a first-class Washington D.C. presence for our system.
Inside the system there is more good news. The Board of Governors has come together as a board—a policy board—which is reaching out to and leading the system. In just over a year, a board accused by some of micro-managing and overreaching, has now received a formal vote of confidence from the system's local trustees. The level of dialogue between the chancellor of the system and the CEO's of the districts and colleges has increased dramatically. This dialogue has expanded my ever-deepening appreciation of the need for local flexibility and control; and I believe it has expanded your appreciation of the fact that every college CEO needs also to have a system consciousness. Finally, with the convergence of seven standing Consultation Councils into one, we are beginning to evolve system shared governance to a higher level.

I note these positive strides, I note this great news, because we need to bask in it for one moment longer before we move on to the toughest challenge in our relatively young history as an institution. While we can be proud of our contribution to the state and its people, and while it is unthinkable to imagine the social and economic dysfunction that would result if California did not have its community colleges, all that we have been in the past is not half good enough for the future.

Today, with bolstered support, we have a window of opportunity to position the community colleges to make a defining difference—perhaps "the" defining difference—in the social and economic success of California in the 21st Century. If enabled to fulfill our mission, we can secure the state's economic prosperity and social stability by ensuring that all of our people have the opportunity to better themselves through postsecondary education and preparation to work in the new millennium.

The opportunity I speak of today is not a high probability opportunity; indeed, the odds are greater that the state will continue a twenty year sleepwalk into mediocrity and inevitable decline. These are harsh, tough words with which to begin an address of hope; but the hope I have is that we have always responded to impossible tasks, we have always cared deeply about providing social and economic opportunity for all our people. I know that we will mobilize and transform ourselves to lead this state in the direction it must go.

No one wants to hear that our great state is drifting into mediocrity and decline; no one wants to hear that our current path is leading to economic and social dysfunction; but let us examine the evidence. Let us look at what has happened to educational opportunity over the past 20 years; and let us look at how it is affecting our state. The picture I am about to paint is not a pretty one, but it is one we must see if we are to fully understand the compelling need to change the way the state is moving.

Let me first describe what has happened to educational opportunity in the California community colleges during the period of 1975 to 1995. Then let us look at what has happened with key indicators of social and economic dysfunction, including poverty, incarceration, and welfare.

In 1975, the fall headcount enrollment for the California community colleges was 1,331,000 students. Given the state's adult population of just over 15 million, community colleges were serving 88 out of every 1,000 adults. We achieved this remarkable "participation rate" despite the fact the state was coming out of a recession, with unemployment hovering at 9.9%. In the fall of 1995, the headcount enrollment of the colleges was 1,336,000 students. Given our adult population of 23 million, the participation rate had fallen all the way to 58/1000.

During this twenty year period there were recessions and economic boom cycles. Even though our
enrollments were at an all-time high of 1,515,000 in 1991, the erosion of the participation rate has been relatively steady. Any gain in a period of economic prosperity is erased with the following recession.

This twenty year history of educational opportunity in the California community colleges clearly exhibits patterns. First, enrollments go as the economy goes. Good economic conditions produce more revenue, and enable enrollment growth and other priorities to be funded. Second if the economy stays strong for a prolonged period of time, the state does not just keep increasing funding for community colleges and other public services; rather, the tendency has been to provide tax cuts or other rebates. Examples are the $1 billion rebate to taxpayers in 1991, and the income tax cut enacted this year. Third, when the economy suffers, the state not only increases student fees, but also does not fund cost of living changes or enrollment growth. The most recent example of this tendency was the 1992-95 recession when there was no cola for four years, very little growth, the enrollment fee was increased to $11, then $13, and the $50 "differential fee" was added for degree holders. Finally, the combination of reduced operating revenues and increased fees has dramatically reduced the level of access to community colleges over the past twenty years. Again, the most recent example of this is the 1992-95 recession, where community colleges lost over 180,000 students.

To more fully understand how this trend towards greatly diminished access compares with other trends that indicate economic and social dysfunction, we need to look at what has happened with our prisons, our welfare system, and our levels of poverty.

First, in terms of numbers of people served/affected, community college enrollment was virtually the same in 1975 and 1995. On the other hand, the number of inmates at the California correctional institutions (not the federal prisons or county/city jails) increased from 20,028 in 1975, to 130,000 in 1995, a 549% increase. And by the way, by December of 1996, this number is now at 154,000. In terms of welfare recipients, the number rose from 1,346,000 in 1975, to 2,679,000 in 1995—essentially double.

Second, in terms rates of attendance, incarceration, and welfare, the community college participation rate fell from 88/1000 to 58/1000, a 34% reduction in access. On the other hand, the incarceration rate per 100,000 citizens increased from 92/100,000 to 388/100,000, a 322% increase. Also, the rate of welfare recipients per 1,000 citizens increased from 62/1000 to 82/1000, a 32% increase.

Third, in terms of budgets, the community colleges operating budget increased from $1.138 billion in 1975, to 3.385 billion in 1995, about a 197% increase. The funding per full-time student in 1995 was about $3,500; and this number adjusted for inflation, actually represented 6% less per student than was available in 1975. The budget for corrections increased from $195 million in 1975, to $3.211 billion in 1995, a staggering 1,438% increase. By 1995, the cost per inmate had climbed to $23,500. Finally, the budget for welfare increased from $1.171 billion in 1975 to $12.518 billion in 1995, a similarly staggering 894% increase.

To these statistics we must add the dimension of poverty. In 1975, 10.4% of the California population (about one in ten) was below the poverty line. With the national average being 11.4%, California ranked 25th. By 1995, 16.7% of the population (about one in six) was below the poverty line. The national average was 13.8%, and California had fallen all the way to 43rd.

Finally, we must consider the dimension of race. As of 1995, the students attending our colleges rather
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closely mirrored the adult population of the state: Whites—45%, as compared with 55% in the population; African American—8%, as compared with 7% in the population; Hispanic—23%, as compared with 27% in the population; and Asian—13%, as compared with 12% in the population. Contrast our prison population—Whites—30%, African Americans—31%, Hispanics—34%, and Asians—3%. In terms of welfare recipients, 31% are White, 18% are African American, 37% are Hispanic, and 12% are Asian.

As bad as these numbers are, as troubling as these trends are, the picture is even worse if think about the trends being extended to the year 2005. It is simply too unthinkable to imagine the implications of these trends continuing. Imagine a state with 20% of its people below the poverty line, a state with over 200,000 inmates in its prisons, a state with 3.25 million welfare recipients, a state that spends far more on its prison system than it does providing community college education. Imagine the community colleges still only being able to serve 1,400,000 students, only 50 to 55 of every 1,000 California adults.

Given the changing work force needs of the state, given our changing economy and society, and given sheer demographics, the need for community college education will be even greater in the 21st Century. We already know that a "Tidal Wave II" of students, an increase of over 400,000, will be seeking a college education by early in the 21st Century. To these numbers we must add the training and work force preparation demands for higher levels of skill and education. In 1975, 33% of the work force needed at least some postsecondary education; by 1990, this percentage had risen to 42%; and by 2005, it will rise to 45%. Put another way, in 1950, 60% of the jobs were unskilled; by 1990, only 35% of jobs are unskilled; and by 2000, the number is projected to be only 15%. In addition, the California State University has adopted policy to greatly reduce its remedial programs; and budgetary limitations are restricting overall enrollment growth in the University of California and the California State University. To all this, we must add the demands of welfare reform—the task of providing education and training to tens of thousands of individuals so that they can move off of welfare and eventually into family supporting work. Finally, there is the new responsibility for economic development, a program added to the community colleges mission in 1996. Given all these needs and demands for service to our state and its people, I believe it would be irresponsible for the state not to enable significantly increased access to community colleges.

Clearly, the policies and practices of the past have not worked and the state is in need of a new vision and plan for restoring social and economic opportunity for all it is people—a new vision and plan for ensuring the economic and social success of the state. During the past several months, both the Board of Governors and the system's Consultation Council have been at work on such a vision and plan called "California Community Colleges 2005—A Vision for the Early 21st Century." Major elements of this plan are now emerging. These major elements, which I will describe shortly, can provide the vision and plan by which the community colleges can help lead the state into a major renaissance.

The essence of our four-part approach is as follows: first, we asked ourselves, "What level of access to community colleges programs and services should we be providing to California’s adults if we are to meet the needs of academic preparation, work force preparation, economic development, and basic skills in the early 21st Century?" Second, we examined the issue of cost and determined how much it would take if we were to provide quality programs and services to the number of students commensurate with this level of access. Third, we examined all existing revenue sources and projected total revenues that would be available under two different economic scenarios. And, finally, we examined strategies for "closing the gap" between available revenue and revenue need. In this regard,
like most every other thoughtful analysis of strategies for gap closing, we came to see this endeavor as a "shared responsibility" of the state, the colleges, and the students and their parents.

Given the compelling need for the state to reverse these very troubling trends and to provide a higher level of access to community colleges, and given our commitment as a system to lead the state into a major renaissance of social and economic opportunity for all of its citizens, we should ask ourselves why the state has not responded—why has the state allowed access to community colleges to fall off so dramatically? I see at least four major reasons. First, both the general public as well as policy makers are probably not aware of the magnitude of these trends; and they probably do not draw a connection between the loss of community college access and the increase of incarceration, welfare, and poverty. Moreover, most people are probably not aware of how much work force preparation needs have changed and how much postsecondary education and training will be essential if our work force is to be globally competitive. Second, there is a perception among many policy makers and the general public that with Proposition 98, the investment in education is being maintained. Third, there are competing priorities, such as crime, that cannot be ignored. And fourth, the confidence of the public and policy makers in the public schools—from K-12 to Graduate—is not as strong as it once was. There is a perception that public education has lost some of its quality, that it wastes money, and that it is not as responsive to improving student outcomes. The public clearly values public education and wants it to be accessible; but there are perceptions that it needs to be improved.

I spend time on these points because they have everything to do with putting together a plan and strategy that the public and policy makers will embrace. What we should all know by now is that if we are to succeed in helping the state, if we are to raise the level of access to social and economic opportunity, we must first increase the level of awareness of the public and the policy makers. And, second, we need a balanced plan—a plan that not only asks the state to commit additional resources, but also commits the colleges to make important changes so as to be more responsive, operate more efficiently, and improve student outcomes.

And so, I stand before you, knowing that everything we say and do in this great system during the coming year should help both the system and the state embrace this vision of increased access and hope for our people and our state. To this end, I see four broad areas of initiative that will maximize our chances for leading the state as well as our colleges into a major renaissance.

First, I propose to Consultation and the Board of Governors that the system develop legislation, for 1998, that establishes the basic framework for enabling community colleges to restore a level of access to community college education and training for more of our citizens, thereby providing economic and social opportunity for more of our citizens, helping meet the work force preparation and economic development needs of the state, and helping reverse trends that harm the state's economy, society, and multi-cultural democracy.

Without usurping the policy prerogatives of the Board of Governors or the role of the Consultation process, I would like to outline what I believe are six necessary components of this legislation. First, the legislation should establish state policy on a level of access that community colleges should provide by the year 2005. The Consultation Task Force is recommending a level of 78/1000, and I personally believe this number, or something very close, is reasonable. Since our colleges are making increasing use of summer sessions and intersessions in going to year around instruction, I believe this access goal should also be expressed in the form of a total number of full-time equivalent students that are educated.
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Second, the legislation should establish state policy on the level of revenue necessary to provide quality educational programs and services to students. Our community colleges, funded at $3,500 per full-time equivalent student, are some $2,500 per student behind the national community college average of over $6,000 per student. For reasons I will explain shortly, we might not propose closing the entire gap, but rather, for instance, agree to lag $1,500 below the national average. Given that by 2005 the national average for community colleges will probably be between $7,500 to $8,000 per full-time student, the figure of $6500 per full-time student being discussed in the consultation task force is worthy of strong consideration.

The remaining three components of the legislation should spell out the quid pro quo that will make the bold vision work and that will lead the Legislature and governor embrace it as public policy. These components spell out the roles of the students and their families, the community colleges, and the state, respectively.

In terms of the responsibilities of the students and their families, board policy supports student fees remaining low, with any increases being gradual, moderate, and predictable. In this regard, I ask the Consultation Council and the Board to consider recommending a state policy that would guarantee that a student would not pay any more in enrollment fees than the level of fees, as adjusted for the effects of inflation, that students were paying in 1996-97. Further, all additional fee revenue would stay within the system, and would not operate to reduce the level of funding provided by the state. If the inflation index had been adopted as part of the original $5 fee, students would now only be paying $7 or $8 per unit; and if an inflation index was put on the 1996-97 fee of $13, students will only be paying $15 or $16 per unit in 2005. Considering that more than 35% of our students are exempted from paying any enrollment fee I believe this policy will not harm the system’s or the state’s overarching access goals. In fact, by not having a long-term fee policy in place, there is a great risk that fees will again be increased significantly when the state encounters its next recession.

In terms of the system’s responsibilities—the responsibilities of community colleges—I envision at least seven major commitments: first, the legislation should recognize that funding will not be brought up to the national average, and that it will be up to the system and colleges to achieve economies and efficiencies to make up for whatever gap ($1,500/FTE) the state decides the community colleges can absorb. Second, the system, through Consultation, should be called upon to develop a program for improving student outcomes. Third, the system should be called upon to develop a system technology plan by January of 1999. The technology plan should be based on the overall goal of improving the quality of instruction and services, and should identify the fiscal needs of achieving the plan. Fourth, the system, through Consultation, should be called upon to complete its initiative to develop and propose a new Education Code for the California community colleges, for introduction in 1999. The new Code should be designed so that it is a coherent, principal-based, mission-driven set of rules that are required to meet the needs of California’s populace in the 21st Century. Fifth, the system, through Consultation, should be called upon to develop a human resources plan for the system by January of 1999. Sixth, the Board of Governors should be charged with developing recommendations for changing state and federal law so as to enable the community colleges to secure a greater share of federal revenues (in 1975, the system received 7.8% of its total funding from federal sources, while in 1995, the system only received 4.3% of its funding from federal sources). And, seventh, the system, through Consultation, should be charged with developing and proposing new methods of conducting and funding contract
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education and economic development activities.

Finally, in terms of the state’s responsibilities the legislation should express the state’s commitment to provide a decade of investment, a decade of funding infusions, to enable the community colleges to assume this increased role. The average overall funding increase per year should be specified, with the ten-year period commencing in 1996-97 and ending in 2005-06. In this manner, the state will have already met its commitment for two of the ten years. The average increase per year should be set at a level that will enable the system to meet the state’s access goal as well as the state’s policy regarding level of funding. To achieve the goals as we have talked about them in the Consultation Task Force, the state would be committing to an average increase of 10% per year for the decade. In addition, the legislation should specify that when economic or other conditions leave the state unable to fund this commitment in a given year, the state could trigger mechanisms to create additional state revenue (such as a temporary sales tax increase or an increase in alcohol or tobacco taxes).

Even as we contemplate and develop this critical legislation, we have set our course for the next few years. We have already begun the work of developing a new Education Code for community colleges. The 2005 vision, which I hope the Board will adopt by January, will set the stage for work on a long-term fiscal policy and plan; and, in February, we will start work on the 1999-2000 proposed budget for the system. We will start immediately on the development of a system technology plan; and we will also begin work on a long-term capital outlay plan for the system. But there is one more plan we must consider, and that leads me to our second major initiative.

Second, I propose that the system develop a public awareness and marketing plan that will inform the public, the media, and policy makers about the value of community colleges, the need to increase access, and the quality improvements being implemented.

Clearly, as we reflect on the past twenty years, we have not told our story. The people of this state need to understand the critical role that community colleges have played in meeting the needs of education and training for our work force, and providing educational opportunity for all of our people to improve. Literally millions of our citizens owe their job, their job upgrade, their transfer to a four-year institution, their critical thinking ability, their reading and writing ability, and their increased levels of tolerance, compassion and humanity to our community colleges. The people of this state need to understand that a healthy and responsive system of community college is critical to the state’s future. The people of this state need to understand that community colleges are continually improving the quality of what they do, that we are focused on improving outcomes, and that we are ready to play a key role in the state’s future.

In the coming months, the Consultation Council and the Board of Governors should discuss the best approach for developing this public awareness and marketing plan. Personally, I believe that we within the system—our many organizations at the system and local levels—can tell the story, but I think we could use some help from the professionals who assist people in telling their story better. And, speaking of Consultation and organizations at the system and local level, this leads me to the third initiative.

Third, collegial processes for shared governance at the system and local levels should be reviewed, with improvements focused on enabling decisions that are in the best interests of our students, our system, and the state.

One of the most delicate, sensitive, and difficult tasks necessary for a successful future is for us to ensure
that the way we practice shared governance is enabling us to make decisions that are in the best interests of the students, the system, and the state. The Board’s Policy on the Consultation Process calls for the process to be reviewed every three years; and since the process was put into place in 1995, the review should occur in 1998. In conducting this review, I believe we should rely not only on the Consultation Council, but should also seek input from a wide variety of sources internal and external to the colleges.

Local shared governance has been a continuous topic of discussion, especially since the passage of AB 1725. Recently, the trustees, through the leadership of the Community College League of California, and the Academic Senate have agreed to revisit the shared governance guidelines that they developed in 1992. I believe this is a significant activity, and should be supported. In addition, I believe that students as well as classified and other staff should be involved in whatever review is coordinated through the Consultation process. Finally, in the near future, my office will issue a legal advisory regarding interpretation of the existing shared governance regulations of the Board of Governors.

Fourth, and finally, there are a number of new mandates and previous policy initiatives that the system must implement or address during the next twelve months, including, but not limited to: welfare reform; improving transfer and articulation; the diversity of our students and staff, including the implementation of Proposition 209; the development of a state work force preparation plan (as required by AB 1542-Ducheney); and new instructional delivery systems and policies, including the California Virtual University.

The Consultation Council and the Board of Governors have identified a number of policy initiatives that need to implemented or addressed in the coming year. I would like to say a few words about three of these important items.

First, implementing welfare reform will be a major focus of energy at both local and system levels. We have very difficult timelines, and a daunting responsibility.

Second, there is important work to be done in improving transfer and articulation. Implementation of the 1995 common course numbering legislation (SB 450-Solis) must proceed to the next phase. In addition, there are two other initiatives in this area that I am implementing. I have been working with UC President Richard Atkinson and CSU Chancellor Barry Munitz to put together separate "Memorandums of Understanding" about how we will work together to improve transfer and articulation and other cooperative programs. In the very near future, I expect to sign such a memorandum with the University of California, bringing a new commitment to significantly increase the number of community college transfers to the University of California. I expect the agreement with the California State University to be finalized shortly thereafter.

As another initiative to improve articulation and transfer, I am asking our systemwide Academic Senate to take the lead in encouraging and developing community college honors programs on a systemwide basis. All colleges in our system should have honors programs. These programs can play a key role in successfully moving our diverse student body to the four-year institutions.

A third important matter that requires attention is the system's policies on diversity, including the implementation of Proposition 209. This is a system committed to diversity, from the highest levels of the Board of Governors to the staff and students of the colleges. Given that Proposition 209 is now the law, the manner in which we manifest this commitment must in some ways be reinvented and adapted.
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Fortunately, with the previous legal review of all of our policies and practices, we have already conformed many of our policies and practices. In the coming months, as we reaffirm our commitment to diversity, we will ensure that Proposition 209 is implemented as necessary, and we will ensure that we find ways to maintain our commitment to diversity.

As I close my remarks on this first ever state of the community colleges address, I want to draw upon the words of Arnold Toynbee:

"We are in the first age since the dawn of civilization in which people have dared to think it practicable to make the benefits of civilization available to the whole human race."

What I know about my 21 years of involvement with the California Community Colleges is that we have an incredible level of dedication, resourcefulness, and passion about helping the people of this state. We have been underfunded, under-appreciated, and over-tasked. Our faculties fill their rooms to overflowing, our staffs work out of bungalows and trailers, our administrative staffs have been streamlined and consolidated, our roofs and our boilers have been patched, and we just keep going. We do more with a little than any institution I know. And now, symbolically, we have been able to sit at the table and have a few good meals—we have had a brief chance to catch our breath. The beautiful thing I have seen is that most of us, after catching our breath, have begun to think again about the future. As much as we have been run ragged in the past, we recognize there is no more time to rest, there is no room for being selfish and avoiding change if it means risking the future of this state. Your energy and commitment inspires me and gives me hope. More than ever, California needs us, the people of the state need us. Let us go out and lead this state to a new renaissance. God bless us and god bless the community colleges.

Thank you.
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