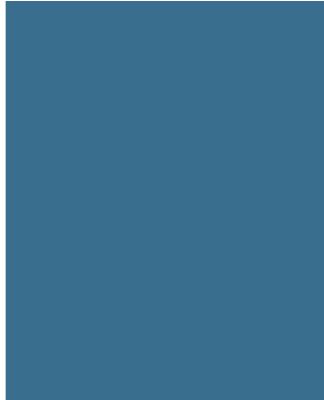




JOBS AND OPPORTUNITY: The Power and Potential of Maine's Community Colleges



EXECUTIVE SUMMARY: REPORT OF THE GOVERNOR'S COMMUNITY COLLEGE ADVISORY COUNCIL



EXECUTIVE SUMMARY

Maine's community colleges and its predecessors were created to respond to dramatic changes in the state's economy and in the lives of its people.

The state's first vocational technical institute was established in 1946 to confront the challenges posed by an economy in transition from wartime to peace. Forty years later, as technology reshaped the workplace, the institutes became technical colleges. In 2003, the technical colleges were changed to community colleges to help address Maine's persistently low college-going rates and to ensure broad access to college for all those in Maine who aspired to it.

In 2006, as Maine continues to undergo a dramatic transformation to a knowledge-based economy, the community colleges have become a crucial part of Maine's educational continuum—a starting place for those who historically have not gone on to college but now view higher education as a necessity and a vital source of skilled workers for Maine's evolving industries.

An economy fueled by technology and information demands a highly skilled and educated workforce. Higher education, once required by relatively few in our state, is now nearly essential for success in Maine's workplace. But almost two-thirds of Maine adults—some 455,000 working age individuals—do not hold a college degree. And approximately 50 percent of the state's high school graduates—some 7,000 young people—leave high school with no immediate plans to enroll in college. They enter a changed and changing world of work with limited options and little hope for a secure and prosperous future—an alarming prospect for them and for the state.

While Maine's economy is changing at a rapid pace, Maine's workforce is not. The state's population is growing slowly, getting older, and remaining relatively homogeneous. An estimated 80 percent of those who will be working in Maine a decade from now are already on the job. Many of them entered a world of work that required a different set of skills than those demanded by the current economy.

In order to compete, Maine must dramatically increase the educational attainment levels of its citizens. Already, many of Maine's core industries face significant shortages of skilled workers, a shortage that is slowing the growth of the state's economy and dimming its prospects for the future. This skills gap also means Mainers are seeing thousands of good jobs pass them by.

Maine's community colleges have the potential—if not the current capacity—to bridge these large and troubling gaps. By offering an affordable and accessible gateway to higher education for thousands of low- and moderate-income Maine people, the community colleges have experienced dramatic growth in just three years. Clearly, Maine people—buffeted by job losses and the realities of a changing economy—recognize that they must upgrade their skills in order to find good paying, reliable work.

But that growth has brought the colleges to a critical juncture: nearing or exceeding capacity in many of their most popular programs; straining facilities and services; and struggling to meet the demand of many key Maine industries for skilled workers.

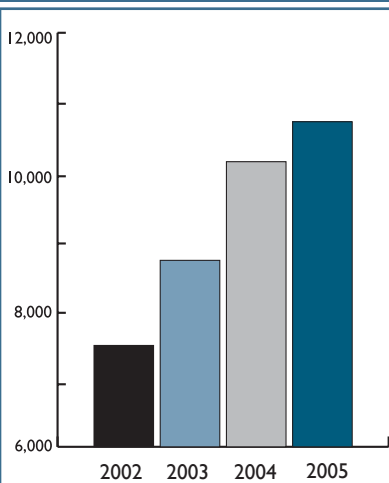
Like the state's economy, Maine's community colleges are at a major crossroads, poised for growth but lacking critically important resources to realize their full potential.

Recognizing the importance of the community colleges to Maine's economy and to the future prosperity of Maine citizens, Governor Baldacci called for the appointment of an independent Advisory Council of state leaders to examine future workforce and educational demands and the capacity of the community colleges to meet those demands.

Among the key findings of the Governor's Community College Advisory Council:

“Higher education is now nearly essential for success in Maine's workplace. But almost two-thirds of Maine adults—455,000 individuals—do not hold a college degree, and some 7,000 young people leave high school each year with no immediate plans to enroll in college.”

GROWTH IN DEGREE STUDENTS SINCE 2002

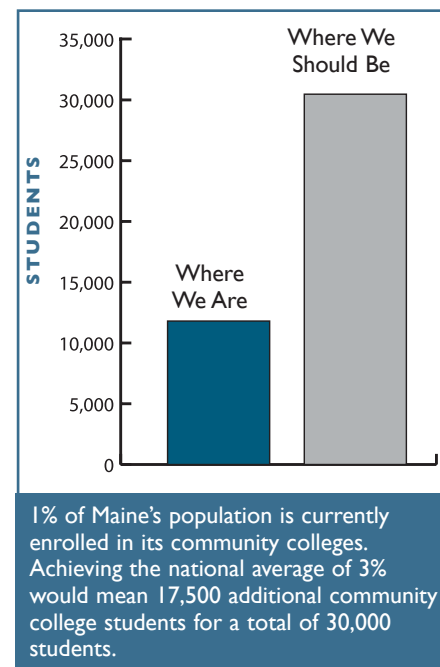


- 42% increase in the last three years
- State funding increased less than 6% in that three-year period

Maine has a shortage of skilled workers in virtually every major industry. Maine’s community colleges—and other schools in the state offering similar programs—are training only about one-third of the skilled workers needed to meet the anticipated employment needs of many of Maine’s largest industries through the year 2012. In 2006 alone, Maine’s economy is projected to be short 4,200 workers with the kind of skills acquired at the community college level. At a median wage of \$32,000, this represents approximately \$134 million in annual wages. For Maine companies, this translates into lost business opportunities, higher operating costs, and stalled economic growth. For Maine people, it means missed job opportunities and the lost wages associated with good-paying jobs. This skilled worker shortage is having an impact on industries key to Maine’s economy and quality of life, among them health care, business, hospitality, security, and construction.

Maine’s community college system has reached capacity.

In just three years, enrollment at Maine’s community colleges has grown by 42 percent—an additional 3,162 more college students—while state funding has increased just 5.7 percent and staffing levels have remained flat. The colleges are at or near capacity in many of their programs, services, and facilities, at a time when a wave of new students is expected to land at their doors. Currently, Maine is able to enroll only about 1 percent of its population in its community colleges, making it the smallest community college system in the nation and well below the national average of 3 percent. Maine’s low college-going rates are due in large part to the small size of its community colleges.



Recommendations

In light of these findings, the Governor’s Community College Advisory Council recommends that the State commit to a goal of achieving the national average in community college enrollment—30,000 credit students (from 12,500 today)—within ten years.

To achieve that goal, the Council recommends:

1. A \$20.3 million initial State investment, for 4,000 additional college students. This initial investment of \$20.3 million beginning in FY2008/09 would enable the community colleges to make a significant step toward the goal of 30,000 credit students. These funds would support an additional 4,000 community college students—for a total of 16,500 credit students—and allow investments in the following priorities recommended by the Council:
 - a. **Support occupational and transfer mission of the MCCS.** The Advisory Council recognizes and stresses the importance of providing comprehensive programming that provides broad access to college for students with diverse needs and aspirations. At the same time, the Council wishes to emphasize the importance of the unique workforce mission of the System and the fact that Maine

employers are dependent on that mission. Because the MCCS is the sole provider of a majority of the occupational programs available in the state and because these programs are, by their nature, more costly to operate and maintain, the Council stresses the importance of adequate State funding to support occupational programs, to ensure an ample supply of skilled workers for Maine’s economy.

- b. **Ensure affordable access.** Finances are the number one barrier to college, and reducing barriers is at the heart of the community college mission. Keeping Maine’s community college tuition affordable for low- and moderate-income citizens and increasing funds available for scholarships must be a top priority.
- c. **Provide convenient geographic access.** Bringing community college offerings to regions without reasonable access is crucial to helping more working adults access college. The System should broaden its outreach and—where possible—pursue opportunities to share facilities with its partners.
- d. **Help more high school students go to college.** The System’s Early College for ME program should be made available to every public high school in the state to help Maine achieve its goal of sending at

■ **Student demand for access to the community colleges will grow dramatically.**

Student trends indicate that Maine's community colleges will continue to experience dramatic increases in demand for its programs and services. This demand will be fueled by greater numbers of high school graduates seeking higher education—the result of statewide college readiness and early college efforts; more working and displaced adults turning to college to upgrade or retool their skills; efforts by Maine's adult education system to help thousands more adult learners transition into college; and a strategic decision by Maine's university system to refocus its mission and reduce associate degree offerings. Maine's community colleges must be prepared for this influx or risk creating a new barrier—a roadblock to college—for these students.

■ **Maine can shape its own economic future by aligning economic and workforce development.**

Maine is making major investments in research and development and in other strategies to expand Maine's economy, yet many core industries and those targeted for growth already face worker shortages. The state's efforts will be hindered if the workforce side of the equation is not addressed. Strategic investments in a high-skilled workforce are critical to business expansion and central to the success of R&D efforts.

■ **Maine's community colleges deliver a high return on investment.**

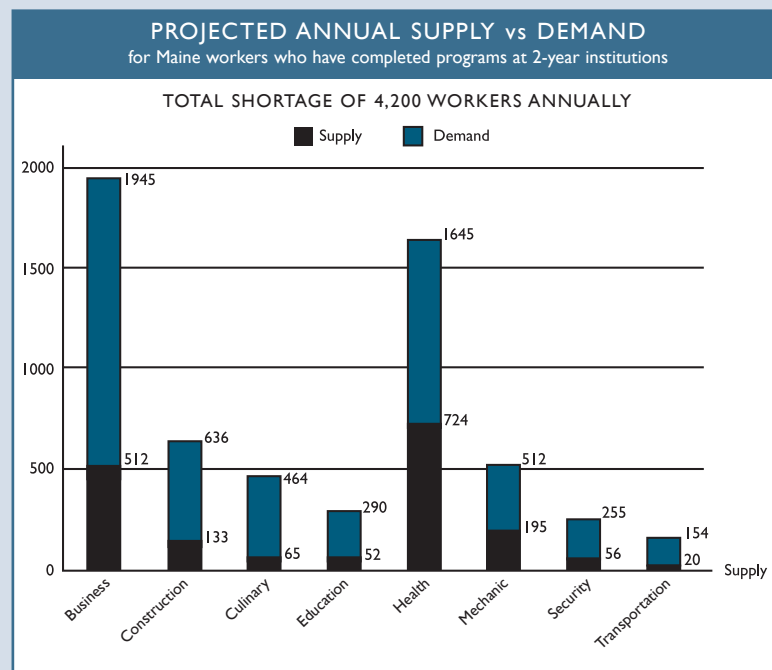
Ninety-five percent of MCCA graduates are placed in jobs or continue their education after graduating from one of the System's seven colleges. Of those who enter the workforce, 96 percent find jobs in Maine. Several comprehensive analyses have found that taxpayers see their investment in community college students returned, within seven to ten years of graduation through the increased income and sales tax revenues generated by graduates.

“Ninety-five percent of MCCA graduates are placed in jobs or continue their education after graduating from one of the System's seven colleges. Of those who enter the workforce, 96 percent find jobs in Maine.”

least 70 percent of high school graduates to college. This innovative program has a proven track record and can help raise the educational bar for future generations.

- e. **Bring customized training to more Maine employers and expand offerings to support entrepreneurship.** MCCA customized training should be made available to more Maine businesses in order to fuel business growth and job creation. This should include an expansion of the Maine Quality Centers program which has helped companies all over the state expand their operations in Maine. It should also include continued growth in the courses and services offered to small business owners and entrepreneurs.

2. **A major capital improvements bond issue to update and expand facilities.** To accommodate current and future growth and ensure a high quality learning environment for students, the Council recommends a major capital improvements bond issue be put forward to the people of Maine in the fall of 2007. The bond issue should include funds to update and maximize the use of current facilities and, where necessary, add new facilities to accommodate enrollment growth—for an amount to be determined by the Maine Community College System Board of Trustees.



Source: MCCA Gap Analysis, 2006.

MAINE MUST BUILD A BIGGER BRIDGE

THE DEMAND

IS GROWING FOR ACCESS
TO COMMUNITY COLLEGES

ADULT WORKFORCE

- 55,000 “very interested” in college
- A shared goal: An additional 40,000 degree holders by 2020

HIGH SCHOOL GRADUATES

- 70% of high school seniors say they intend to enroll in college; only about 50% do.
- A shared goal: Increase college going rate from 50% to 70% by end of decade

UMS ASSOCIATE DEGREE STUDENTS

- Phasing out of some 2-year programs



THE BENEFITS

TO MAINE ARE NUMEROUS

- **More skilled workers** to fill current shortages
- **A more highly skilled workforce** to fuel economic growth
- **More transfer students** to earn baccalaureate degrees
- **More entrepreneurs** to start new businesses
- **Higher incomes,** lower unemployment, increased tax base, improved quality of life

Many in Maine recognize that the economic and demographic forces that are reshaping Maine will have a long-lasting impact on the state's future. They also recognize the vital importance of higher education in helping the state confront these challenges. Maine's community colleges will need to play a critical role in helping Maine achieve these ambitious goals. And they will need to be able to serve many more people for the vision to become a reality.

- Governor Baldacci has set a statewide goal of increasing the college going rate of high school graduates from 50 to 70 percent by the end of this decade.
- The Maine Compact for Higher Education seeks to increase the number of working-age degree holders in Maine to 56 percent (the New England average) by 2020, an additional 40,000 degree holders beyond current projections.

■ Maine's 120 adult education programs help nearly 3,000 people earn high school credentials each year; only 500 of those currently go on to college. The adult education community has set a goal of helping 10,000 Maine adults enroll in college over the next 10 years.

■ In its Strategic Plan, the University of Maine System has refocused its mission on baccalaureate programs and advanced degrees, with a plan to phase out many associate degree programs. In addition, UMS has set a transfer goal of 3,500 community college students transferring into the Universities within the next few years.

■ Maine's Department of Education is working to implement major reforms at the high school level to ensure that every graduating senior is college ready.



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