

CCCSFAAA/CASFAA Day at the Capitol Talking Points

March 18, 2008

The California Community Colleges play a vital role in responding to the state's need for preparing a more educated and trained workforce. According to a recent study by the Public Policy Institute of California – *California 2025* – by the year 2020, two of every five jobs will require a college graduate, an increase from less than one-third of all jobs in 2005. In absolute terms, the total number of jobs requiring a college education is expected to increase by 4.5 million by 2020. California's Community Colleges are the world's largest system of higher education consisting of 109 colleges that educate more than 2.5 million students each year. The colleges serve 73 percent of all students enrolled in higher education. Two-thirds of all CSU graduates and one-third of UC graduates began their college years at community colleges as transfer students. Because of its size and geographic distribution, the community college system is uniquely positioned to deliver education and workforce training on the scale needed to help turn California's economy around and remain competitive. While we understand the enormity of the current budget crisis and understand that the community colleges will be required to absorb some level of budget cuts, it is our responsibility to explain the real impact of these proposed cuts on our students, on the community colleges' ability to deliver education and training to an ever-growing population.

Key Issues in the Proposed 2008-2009 Budget:

- College affordability is the number one issue on the minds of students and their families when making a decision about whether to attend college. The Governor's budget does not propose community college student fee increases, but does propose to eliminate new competitive Cal Grant awards totaling \$57.4 million.

The community college system supports the Governor's proposal to hold fees at current levels and appreciates the support for keeping student costs down. Community college students are more prone to "sticker shock" than students in the other segments of higher education, largely because they are less familiar with the financial aid process and come from the lowest income backgrounds.

CCCSFAAA is deeply concerned about eliminating new competitive Cal Grant awards. This means some 22,500 students will not be getting these awards in the upcoming academic year. Competitive Cal Grants serve the

lowest-income and most disadvantaged students, of which 77 percent attend California community colleges. This represents nearly \$27 million. The average annual income of a student receiving a competitive Cal Grant award in 2006-07 was \$15,645. For these students, not receiving a Cal Grant award makes the difference between attending and not attending college.

Here are some other key points.

- CCC's do not have institutional resources to replace loss of Cal Grants
 - CCC's biggest out-of-pocket expense is textbooks and supplies
 - COA for attending CCC same as 4 year colleges/universities – except for tuition and fees
 - Difference in COA between 4 year colleges/universities and CCC is tuition fees which is offset by BOGW enrollment fee waivers for neediest students
- Cuts to student services threaten student success. The Governor's budget proposes across-the-board cuts to all categorical programs ranging from 4% to 14%, totaling \$80 million in cuts. The Student Financial Administrative Allowance (BFAP-SFAA) Funds are disproportionately proposed to be cut by 14.2%. These categorical programs are the very programs that form the infrastructure to help students succeed. These programs include counseling services, support services for disabled and struggling students, financial aid assistance and academic support for students needing basic skills.

Students using support services most often are low-income, first-generation college-going and are forced to juggle work and family responsibilities. These services provide essential support and hold the key to student success.