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Testimony
House Appropriations Committee
FY 15-16 Community College Appropriations

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Good afternoon Chairman Adolph, Chairman Markosek, and members of the House Appropriations Committee. Thank you for the opportunity to comment on Governor Wolf's FY 15-16 Executive Budget and its impact on Pennsylvania's community colleges. My name is Elizabeth Bolden, and I represent the Commonwealth's fourteen community colleges that are statutorily established under Article XIX-A of the Public School Code. Joining me today is Dr. Nick Neupauer, President of Butler County Community College and Chair of the Board of Directors of the Pennsylvania Commission for Community Colleges and Dr. John Sygielski, President of HACC, Central Pennsylvania's Community College.

The community colleges are grateful for the continued support of House members, and in particular the Chairmen and Members of the Appropriations and Education Committees. The colleges appreciate your interest in, and commitment to, the role of community colleges in the Commonwealth's education and workforce development systems. Last academic year, Pennsylvania's community colleges enrolled more than 344,000 students from all of Pennsylvania's 67 counties in academic, workforce and noncredit programs. The colleges play a vital role for the students and employers they serve, and contribute to the Commonwealth's economic growth and global competitiveness.

Pennsylvania's community colleges currently offer 1,384 credit programs, 62% of which are in STEM fields, and 48% of which are in High Priority Occupations identified by the state Department of Labor & Industry. The colleges regularly evaluate workforce needs and adjust program offerings to align with those needs. In the current academic year, the colleges are offering 44 new programs in wide-ranging fields including life sciences, mechatronics, unmanned aerial technology and culinary arts.

Two colleges, Pennsylvania Highlands Community College (Penn Highlands) and Reading Area Community College (RACC) have reinstated an Associate of Applied Science degree in electric utility technology. The Colleges are partnering with FirstEnergy Corp's Pennsylvania utilities (Penelec, Met-Ed, West Penn Power and Pennsylvania Power) to offer the award-winning program to train the next generation of utility substation and electrical line workers. The program combines hands-on utility skills at Penelec's training facilities with academic coursework on the Penn Highlands and RACC campuses. The RACC program trains electrical lineworkers, a profession that in Pennsylvania has an average starting salary of \$50,000 and an overall average salary of \$67,000.

Last year, the community colleges also partnered directly with local employers to provide \$11.6 million worth of customized training for over 37,000 Pennsylvania workers. Through various partnerships, including WEDNetPA, over 21,000 Pennsylvania workers were trained. These programs are essential to provide Pennsylvanians the opportunities to acquire or upgrade workplace skills.

The colleges are also committed to offering quality academic programming for students seeking an affordable pathway to a bachelor's degree. At the end of the 2013 academic year, over 33,000 community college students in Pennsylvania successfully transferred to other institutions to continue their studies, with more than 81% of those graduates transferring to institutions in the Commonwealth. The colleges have strong relationships with other postsecondary education partners to ensure that students have the opportunity to continue their academic study. Pennsylvania's community colleges have over 2,700 transfer and articulation agreements with TAOC-participating baccalaureate institutions to ensure that students who wish to pursue a four-year degree can move seamlessly between institutions, and several colleges have partnerships with bachelor's-granting institutions that enable students to complete a four year degree on their local community college campus. Northampton Community College and

Bloomsburg University recently partnered to offer a bachelor's of applied science degree that will enable graduates to serve as managers in STEM-related fields and is one of many examples of these innovative partnerships throughout the Commonwealth.

The colleges also serve as a center of community and economic activity in their local areas. Our colleges partner with early childhood education providers, K-12 education, and local employers to develop and offer programs to meet local needs. They provide more than opportunities for academic and workforce training; they serve as community centers and enhance their regions' cultural diversity. The colleges are among the 50 largest employers in 15 of Pennsylvania's counties and collectively, the colleges are one of the largest 50 employers in the Commonwealth, employing more than 26,000 individuals statewide in 2013. Community college graduates also tend to stay in their local communities after completing their degrees, with several colleges reporting that 95% of their students stay in Pennsylvania after receiving their credentials.

Governor Wolf's proposed FY 15-16 Executive Budget is an important step in providing the necessary support and investment for postsecondary education in the Commonwealth. The budget reflects an understanding that a postsecondary credential is essential for an individual's long term economic security and that a community college is the most accessible, affordable path to attaining that credential. Specifically for community colleges, the budget proposes a \$15.7 million increase in the community college operating appropriation, bringing the total appropriation to \$230.7 million, an increase of 7%. The budget also proposes \$48.8 million to support capital improvements at the colleges. The Commission supports both the operating and capital funding recommendations.

The community college operating appropriation provides funds for the general operation of the colleges. These funds will allow the colleges to maintain and expand quality academic and workforce programs that are essential to the Commonwealth's economic growth, including programs in the technology, healthcare, and natural gas industries and to keep tuition affordable for students. For the 2013-2014 academic year, annual average tuition and fees at Pennsylvania's community colleges totaled \$3,454. That amount is 62% less than average tuition and fees at a PASSHE institution, the second most affordable public postsecondary education option in Pennsylvania.

The Commission also urges the General Assembly to approve \$48.8 million for the community college capital fund line item. This line item supports capital improvements at the colleges by providing 50% of the funds for approved capital projects when the colleges, local sponsors, and/or private fundraising also provide a 50% match of the project cost. This appropriation has enabled the completion of projects such as Montgomery County Community College's Health Sciences Center, upgrades to the Community College of Philadelphia's biology labs, and purchase of land and buildings for a permanent York Campus for HACC, Central Pennsylvania's Community College. At this funding level, there will still be significant unmet needs at the colleges. A 2013 study by the architectural firm STANTEC documented that the community colleges' infrastructure is rapidly aging and in need of more than \$726 million in improvements over the next five years. Nearly half of the projects have been identified as high priority projects by the colleges, indicating that they are critical to the continued successful operation of the college. The list of high priority projects includes a new Workforce Training Center, upgrades to labs in STEM programs, and the expansion of e-learning environments to replace outdated classrooms. The backlog of projects exists because nearly 97% of the capital appropriation is committed to existing projects, leaving just a few million for new projects each year. The Commission would welcome further conversation regarding long-term funding options to support capital improvements at the colleges.

The recommended capital and operating funding levels are important to the colleges and the communities and students they serve, but they will also provide a significant return on investment for the Commonwealth. A 2014 report from Economic Modeling Specialists International (EMSI) found that community colleges and their students added over \$800 billion to the national economy. Using EMSI's methodology, Pennsylvania's community colleges added an estimated \$16.9 billion to the Commonwealth's economy in FY 11-12. Every public dollar invested in community colleges provides a return on investment of nearly \$42 in direct and indirect economic benefits including increased productivity, income, spending and reduced costs in social program areas such as healthcare, criminal justice and unemployment programs.

The Commission also supports the recommended appropriation at PHEAA for the PA State Grant program. Last year, more than 28,000 community college students participated in PHEAA's PA State Grant Program to help cover the costs of their education and even more benefitted from programs such as Ready to Succeed and PA TIP. Despite the relative

affordability of Pennsylvania community college tuition, finances can still be a barrier for potential students. Funds available through PHEAA, combined with federal student aid and institutional aid, help to ease financial barriers and ensure access to higher education for students.

The Governor's recommended funding for dual enrollment is also supported by the colleges. Dual enrollment provides students with an opportunity to earn college credit while still in high school, and has been shown to increase college degree attainment while reducing the time and cost to degree completion. Pennsylvania's community colleges have been enthusiastic partners with secondary education in offering dual enrollment opportunities for students. Last year, more than 11,000 students participated in dual enrollment opportunities at Pennsylvania's community colleges. A 16-year-old high school student participating in Delaware County Community College's (DCCC) dual enrollment program recently received college credits for mathematics courses he took at the College. The credits will allow him to skip introductory courses when he enters the Massachusetts Institute of Technology this fall. Another high school student took classes at DCCC through the program and completed all of her general education requirements. As a result, this student will be able to graduate from Harcum College's dental hygiene program one year early, with significant savings in both time and money. Funding to support the expansion of dual enrollment will provide even more students with these educational and financial advantages.

Thank you again for the opportunity to provide testimony on the FY 15-16 Budget. The colleges believe that investment in Pennsylvania's community colleges provides a significant return on investment and will help Pennsylvania reach its full potential as a national leader in higher education. Investing in the colleges will yield significant economic and societal benefits for the students and communities we serve, and contribute to the Commonwealth's long term fiscal health and economic competitiveness. We look forward to working with the Governor, the Chairmen, and the Members of the Committee to make these budget and policy recommendations a reality.