

November 22, 2010

Dear Andy,

The last week has been a whirlwind of activity and, if you're like me, you are looking forward to time with family this weekend and the beginning of the holiday season (and academic semester wind-down). In an attempt to get through several items without going Victor Hugo on you, I'll try a quick recap of ten thoughts from the week.

1. The budget is pretty darn ugly.

As I [wrote about on November 10](#), the five-year fiscal outlook for California is pretty ugly. Even if community colleges took a \$230-250 million cut and K-12 took a proportionate (\$2 billion) cut, the state still faces a \$25 billion shortfall over the next 18 months, and \$20 billion "structural" shortfalls each year thereafter through the five-year forecast.

If community colleges took a proportionate share of cuts to fix the structural shortfall without tax increases, a **\$1.1 billion cut** (19.3%) would be required. If the Legislature or voters agreed to split the structural problem evenly between tax hikes and program cuts, the community college share would be \$550 million (9.6%).

Ignoring the structural shortfall and assuming Proposition 98 is fully funded, funding for community colleges and K-12 schools will not return to 2007-08 levels until 2015-16.

2. We are going to make undesirable choices.

Under the worst case scenario above, we would be a \$5.8 billion system (total funds), dropping from a total funds of \$7.9 billion in 2007-08. That's a drop from about \$211 to \$152 per capita (per California resident), about 28%. Assuming the mix of tax hikes and program cuts, we would drop to \$167 per capita, or a drop of about 21%. Now, I don't think we'll face the worst case scenario, but the mid-range scenario is something for which we have to prepare.

As a system, we have three choices (or a combination thereof). Our categorical programs have been decimated, and few additional cuts can be absorbed there. So, the three options are (1) serve fewer students, (2) continue the decline per student, and (3) increase student fees. There are no easy choices. There may, however, be better and worse undesirable choices.

3. Innovation persists through difficult times.

Convention keynote speaker Robert Bramucci (South Orange CCD Vice Chancellor) reminded us that, as we study ways to cope with cuts, stretch dollars and serve students, our students are experiencing a fast-changing world. For our students, collaboration no longer requires a meeting around a lunch table, creativity may not require a physical medium, and knowledge doesn't come solely from books (although they're still the best).

Just think, all of those apps on your iPad/iPhone/Droid have been created during this "worst economic time since the Great Depression, and much of the innovation is by small business and individuals with little resources except creativity and knowledge.

Someone sent me [this YouTube link](#) last week that is relevant here.

4. Completion matters.

While we all know stories of students that don't complete an associate's degree, on average, Americans who complete an associate's degree over "some college" [earn \\$5,241 more each year](#). By assisting 1 million more Californians to complete community college by 2020, that could be \$5.2 billion in additional earning power each year, resources that would reach and empower some of our state's most economically disadvantaged communities.

5. L.A. Trade-Tech rocks.

Los Angeles Trade Tech hosted our [A 2020 Vision for Student Success](#) report release. Folks that were there sat through 40 minutes of speeches, but you can [watch it in 3 minutes, 42 seconds](#). Thank you to David Ysais and Manuel Morales for producing the video!

In addition to being outstanding hosts, L.A. Trade Tech is walking the walk through contextualizing their developmental courses with their career-technical programs and creating what may be the largest freshmen orientation program in the state!

Thank you Chip Chapdelaine and Deborah Harrington for your support and leadership!



6. Media loves the bad story, but hates the good story.

First, we had very nice coverage for the release of the student success report. People were telling me that they couldn't drive fifteen minutes listening to any of the NPR news stations without hearing me ramble on. *The Sacramento Bee*, *Chronicle of Higher Education*, *Inside Higher Ed*, *Merced Sun-Star* and several other papers covered the release. John Fensterwald, who writes a blog for the Silicon Valley Education Foundation provided some of the [most thoughtful coverage](#).

Meanwhile, some of the state's other big papers that have covered every negative story criticizing "graduation rates" in community colleges refused to cover some of the system's top leaders releasing a report calling for fixing the problem and identifying strategies for doing so. The papers were too busy writing about 13 students who were arrested at the UC Regents meeting over an 8% fee increase. I simply ask, how many Californians are arrested each day because of unemployment and drugs because they didn't have access to a quality community college education?

7. Get by with a little help from our friends.

Two of our Convention keynote speakers made a couple of things clear. First, UC Riverside Chancellor Tim White, an alumnus of Diablo Valley College, talked about how his campus has closed the achievement gaps for black and Latino students. In fact, in this year's six-year graduation rates, he reported that black students led the pack. It's not easy, and the overall graduation rate of 64% needs to be improved, but by paying attention to the gap and aggressively supporting students, it can happen.

Christopher Cabaldon, former system vice chancellor, talked about life in difficult times as mayor of West Sacramento and the tough choices he has to make. Christopher talked about the need for the system to prioritize, argued that not all students should have the same registration priority (and perhaps the same fees) in this era of rationing.

8. They love us. They really do. But...

The [latest poll](#) on higher education from the Public Policy Institute of California is out and, again, respondents give a higher job approval rating for community colleges than they give the University of California and the California State University. Voters are deeply concerned about access, affordability and quality, want neither cuts, fees, nor taxes, and have very little faith in state leaders to address the difficult issues facing higher education.

9. There are sweet potato greens in our system.

Some of you may recall the story of sweet potato greens that I told in an e-mail in October last year, shortly after announcing the formation of the League's Commission on the Future.

In summary, Jerry Sternin, an aid worker for Save the Children working in Vietnam in 1990 discovered that the reason some students physically thrive amidst the severe community malnutrition was due to their parents feeding them the normally discarded sweet potato greens and the tiny crabs and shrimp found in the rice paddies. By persuading mothers of the most malnourished children to follow the lead of those feeding their children sweet potato greens, a relatively simple solution was found.

At Friday's, I talked about how we have sweet potato greens in our system. I talked about the English-language acceleration at Chabot, the freshmen orientation at L.A. Trade Tech, and the financial aid program at Fresno. All of these can be looked at, adapted to meet local needs, even during these current financial times and under the state's burdensome regulations.

The next step for the Commission on the Future will be showcasing these model practices through the website, a Student Success Symposium in January and a series of drive-in workshops and webinars throughout 2011. If you would like to showcase a model practice, or are interested to fill a vacancy on the Commission on the Future, [let me know](#).

10. The League staff is amazing.

This year has been an incredible year at the League. From budget advocacy, to the Centennial Dinner, to *A 2020 Vision for Student Success*, all staff members have gone above and beyond, and I am deeply thankful. I too often get the recognition, but none of it would be possible without Team League. **Thank you Bonnie, Cary, Carmen, Cherie, Elaine, Jennifer, Judy, Kimi, Kristine, Melodie, Rita, Samantha, Sarah G., Sarah R., Theresa, Stacy, Yolanda!**

And, finally, as someone whose life was transformed by this system, thank you for what you do. Have a safe and pleasant Thanksgiving holiday.

Sincerely,



Scott Lay
President and Chief Executive Officer, The League
Orange Coast College '94